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Mr George Greiner,

With the regard and respect of

W. J. Duane

Phila May 1839

NARRATIVE

AND

CORRESPONDENCE

CONCERNING

THE REMOVAL OF THE DEPOSITES,

AND

OCCURRENCES CONNECTED THEREWITH.

W. J. DUANE

PHILADELPHIA:
1838.

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INTRODUCTORY OBSERVATIONS.

In May, 1833, I was appointed secretary of the treasury; and in September following was removed from office, because I would not, prior to the meeting of Congress, transfer the public deposites from the U. S. bank to state banks.

As I had not sought office, as my appointment had been generally approved of, and as it was doubtful whether public opinion would sanction my dismissal for not removing the deposites, the true reason for the change was not avowed; and even the fact, that I had been removed, was suppressed in the official annunciation of my successor's appointment.

Pains, however, were taken by partisans of the Executive to prepare the public for the change or to reconcile them to it, by exciting suspicions as to the purity of my motives for resisting him.

Nevertheless, I rested in silence upon my official acts and personal reputation; especially as I supposed that Congress would institute an inquiry concerning the removal of the deposites. And I would have remained silent, if the President himself had not become my assailant on the 19th of November, 1833.

On that occasion, instead of laying before the public the whole of the correspondence which had passed between us, he caused detached passages only to be published in the official paper; and in consequence I then briefly addressed my fellow citizens,

Having been again assailed in the official paper of the 7th of February, 1834, and then concluding that an inquiry would not be made by Congress, I addressed a series of letters to the people of the United States, in vindication of my conduct.

At that time I would have published the whole of the correspondence, between the President and myself, if all the letters composing it had been in my possession. It was not, however, until July 1837, that I obtained at the treasury department copies of such of them as were deficient; and, justified by the example of the Executive, I now present them all in the succeeding pages.

As a part only of the intercourse between the President and myself was maintained by written communications, I connect them by links of narrative. These, however, are not drawn from memory, but from a record of my feelings and opinions as well as of occurrences, written at the times severally referred to.

The narrative and correspondence, ending with my removal from office, are embraced in the first eleven chapters of this volume. The twelfth chapter contains letters, which may be considered semi-official, written after my retirement. In the thirteenth I have presented four of my private letters. The three succeeding chapters consist of a selection of public letters addressed to me in 1834, and my replies. And in the seventeenth and concluding chapter, I have given an explanation of some of my opinions of banks as such, and also as fiscal agents.

I have thus collected together some materials towards the formation of a dispassionate judgment on interesting questions—a duty which I felt myself called upon to perform, not only for the protection of my own fame, but as a mark of my respect for public opinion.

PHILADELPHIA, 1838. W. J. DUANE.

NARRATIVE, &c.

CHAPTER I.

Although I was not personally acquainted with Gen. Jackson, until 1829, I ardently supported him, as a candidate for the Presidency, as early as 1823. I thought, his country owed him a large debt of gratitude; that it would be useful, to our institutions, to have, in our executive chair, a person, unaccustomed to intrigues, too prevalent at Washington; and that he, who had given such sound advice to Mr. Monroe, while President, would never contradict, in practice, what he then declared to be, the only patriotic and honourable course, for the chief magistrate of a free and enlightened people.

In 1828, I renewed my exertions in his favour, at no little sacrifice of personal friendship and pecuniary interest; and, when he was successful, those sacrifices were cheerfully borne. With great regret, I soon saw some of Gen. Jackson's early professions departed from. I was not, however, a partisan; nor did he, now in power, need my aid. Men, who had stood in the ranks of his bitter opponents, when I sustained him, passed over to his side, as soon as he won "the spoils of victory," and they got no inconsiderable share of them. For my own part, I desired to partake of the fruits of the triumph, only as a member of the family of the people.

The President, however, manifested, on several occasions, a desire to promote, what he, doubtless, considered my advancement. With the advice and consent of the senate, he appointed me a director of the U. S. bank, but I declined the trust. He afterwards tendered to me the office of attorney for the eastern district of Pennsylvania, which I also refused. Without my knowledge, he appointed me, with the concurrence of the senate, a commissioner under the convention with Denmark; and, when I hesitated, he pressed the acceptance of the trust upon me, as a duty to the public, and as a relief to himself from embarrassment.

Before I had executed my duty under the convention with Denmark, on the 4th of December, 1832, I was invited to accept the office of secretary of the treasury; and, as the circumstances, attending the offer, were detailed in a confidential letter, which, on the next day, I wrote to a friend in Philadelphia, I make the following extracts from the original, now before me:

"'The President, has in a formal, kind, and pressing manner, asked me to accept a seat in his cabinet. I confess, I was surprised, and not only surprised but distressed; but it is best, while the incidents are all fresh in my memory, that I should give you a sketch. A member of the cabinet* said—'Mr. Duane, I have been particularly desired by the President to seek this interview with you, on matters of much consequence, not only to himself, but to the country. The President has for some time past meditated a change in his cabinet: it has been deferred until after the termination of the elections in the states; and, as they are now over, the proposed change is urged anew. The present secretary of state is to go to France; the present secretary of the treasury is to take his place in the department of state; and the question is, who is to go into the treasury? It is settled, that a citizen of Pennsylvania is to be appointed; and the President and his friends have sought in that state for a person in all respects competent as an officer, and faithful as a friend. A list of names has been looked at, and, after due inquiry, the President is decidedly convinced, that you, sir, present the fairest claims to official and personal consideration. You are of the old democratic party of Pennsylvania, and have grown with its growth; you are known as a mild but unvarying friend of the great political principles, which Pennsylvania cherishes. Your personal reputation, too, gives you a moral influence, of the extent of which you are not perhaps yourself aware. You were the early, and have been the steadfast, friend of Gen. Jackson, and should continue in every proper way to sustain him, whom you contributed to elevate. So satisfied, indeed, is the President, of your peculiar fitness for the department, and of your being just such a person as he can politically as well as personally rely upon, that I cannot use too strong terms, in describing his solicitude that you should not refuse the station.'

* Mr. M'Lane, then secretary of the treasury.

"This is more brief than the reality, but perfectly correct. I replied—'I have listened, sir, to what you have stated, with surprise, and distress; so that it cannot be supposed that I can give a positive reply. I cannot express, how gratified and proud I am at this mark of confidence. If, however, I am now to give utterance to what I feel, it is to ask the President to blot this matter from his mind. It is true, that I have been and am sincerely friendly to the President; that I possess the personal and political confidence of many worthy men in Pennsylvania; and that I have a strong inclination to do all in my power, to evince my principles and promote the welfare of the people. But it is also true, that my abilities are over-rated; that my influence in Pennsylvania is more limited than is supposed; and that no weight can be given, by my accession, to the administration. Such an occasion as the present cannot be heedlessly regarded by me, but all considerations united forbid me to assent. I have through life sought the shade, and whenever I have been out of it, it has not been from choice. I have always desired to tread on the earth, lest, in ascending even a single step of the political ladder, I should be obliged to resume my former place. Perhaps this is morbid pride, but be it what it may, it has a powerful influence over me.'

"To this it was rejoined,—'All you have said, Mr. Duane, shows you have the merit, you deny yourself the possession of. You have, by declining office on several occasions, omitted to advance yourself. I am the President's friend and yours, and am not the man to advocate any thing of a doubtful nature, by which the public may be affected. Others are more competent perhaps to judge of your qualifications than you are yourself. Heretofore there have been difficulties; there may be some at this time, owing to excitement in the South; but that will soon cease, and in a few months you will be perfectly *au fait* as to all general duties. As to your standing in Pennsylvania, we have information to be relied on; we believe your appointment would be pleasing there, and the President desires to do what will gratify that state. Apart from other considerations, the President's own spontaneous preference of you is a compliment not to be overlooked; you will derive credit from it, where you are not known, amongst all who respect the patriotism and pure intentions, as well as the natural sagacity of the President. I am persuaded that the appointment would be acceptable to many of the President's most distinguished friends. Indeed, the

fact, that he goes to the people, and not to congress, to select, will give weight to the choice. You will earn a high reputation in the office proposed; and the labours will be less burdensome than those, to which you have been accustomed.'

"I then said, 'that to tear up, as it were, by the roots, my business in Philadelphia, on the uncertainty, or even certainty of continuing in office here for four years, would be very imprudent; that changes of residence, associations, and expenditure, were sound objections; that friends to me ought not to urge a proceeding of so doubtful a character.'

"To this it was replied—'that every man owed something to his country; that even on the question of mere interest, the change would be advantageous; that I might be certain of employment for four years, at six thousand dollars per year; that the mode of living was that of a private gentleman in Philadelphia; that by identifying myself with Gen. Jackson and his friends, and making a sacrifice, if it was one, I established a claim for continuance in this, or appointment to some other station.

"I closed by saying, 'that out of thankfulness, and a desire to make a return for such confidence, my heart urged me to say "yes;" but my head by no means assented; that it would be rude as well as unkind to the President to decide at once, and upon so sudden an appeal on so serious a subject; and that, therefore, I would reflect.'"

Such is a faithful representation of the manner, in which I was invited to enter the cabinet. Valued friends,* whom I

* I consulted four of my friends. Three of them anticipated a prosperous voyage. The fourth, Mr. James Ronaldson, was not so sanguine. His anticipations, when compared with the actual results, merit the present notice. His letter to me, dated the 3d of February, 1833, after describing the disturbed condition of public affairs, and especially the controversies about the tariff, banks, &c., contains this remarkable passage:

"No one on earth, your own family hardly excepted, will be more delighted than myself at your welfare; but death and other matters must be taken into account. A secretary is an officer at pleasure. In such a state of affairs as ours at present, the position of secretary of the treasury is, of all posts in the government, the most difficult, and I may say dangerous. Although the neck of a minister, here, may not be exposed to a block, or his body may not be imprisoned, the President may do, as kings do—when the storm is gathering, turn out the officer; and you and I need no proof to assure us, that the acts of secretaries may be assigned to bribery, and that a turned out secretary, unless he is a most adroit politician, is a proscribed citizen."

My reply of the 6th of February, was as follows:

"My Dear Friend.—It is wisely decreed, that we cannot look into futurity. If men could foresee, what good or evil would attend them through life, few would have the courage to undertake the journey: indeed the race of men would

consulted, exerted themselves to overcome my scruples; and, when asked for my decision, on the 30th of January, 1833, I reluctantly consented to serve. On the 1st of February, the President communicated to me his satisfaction at my decision; and, when I saw him in March, he added, that he had himself selected me from the number of those, who had been designated as most worthy of confidence.

Although changes in the cabinet had been thus provided for, they were not made until May, 1833. My commission bore the date of the 29th of that month, and on the 30th I reached Washington. After waiting upon the President, on the next day, I went to the treasury department, and took the oath of office on the 1st of June. On the evening of that day, Mr. Reuben M. Whitney* called upon me at my lodgings, at the desire, as he said, of the President, to make known to me what had been done, and what was contemplated, in relation to the U. S. bank. He stated, that the President had concluded to take upon himself the responsibility, of directing the secretary of the treasury, to remove the public deposites from that bank, and to transfer them to state banks; that he had asked the members of the cabinet to give him their opinions on the subject; that the President had said, "Mr. Taney and Mr. Barry had come out like men for the removal;" that Mr. M'Lane

become extinct, or at least would be greatly reduced. In your premonition, I see the usual token of your strong natural sagacity, as well as a new proof of your friendship for me. But the die has been cast, and I must proceed "for better, for worse." God knows how much at variance with my inclination this result is. A sort of fatality, however, seems to have attended me on many occasions; and, in this instance, especially, I give way more from feeling than judgment. What then is to be done? why, all that an honest man should do. The question, what an honest man should do, is, therefore, to be answered; and to answer it well, I ask your aid, and will ask the aid of all, who desire to see me useful and respected. If I had had the presumption to seek this elevation, I might merit the fate of Phæton. Perhaps I am censurable as it is. And yet the very perils you describe show, that there is a little merit in consenting to encounter them. If there is to be a storm, some one must reef or steer; and if I shall be blown off, it will be owing to the niggardliness of nature, in not endowing me with physical vigour, rather than to any want of courage to attempt, or exertion to execute my duty. I must not now look back and despond, but forward and struggle with any difficulty. After all, the greatest bliss of life is the consciousness of intending to do well, and this consciousness will surely console me, if I shall mistake my way, or fail to reach the end of my voyage.

"Your's,

"W. J. DUANE."

* No relation had ever existed, between Mr. Whitney and myself, to warrant a supposition, that he called on me as an acquaintance. On two occasions, only, had we ever before spoken to each other, and neither of these was sought by me.

had given a long opinion against it; that Mr. Cass was supposed to be against it, but had given no written opinion; and that Mr. Woodbury* had given an opinion which was "yes" and "no;" that the President would make the act his own, by addressing a paper or order to the secretary of the treasury; that Mr. Amos Kendall, who was high in the President's confidence, was now preparing that paper; that there had been delay owing to the affair at Alexandria;† but, no doubt, the President would soon speak to me on the subject; that the paper referred to, would be put forth as the Proclamation had been, and would be made a rallying point; that he (Mr. Whitney) had, at the desire of the President, drawn up a memoir or exposition, showing that the measure might be safely adopted, and that the state banks would be fully adequate to all the purposes of government. He then read the exposition to me; and, as I desired to understand matters so important and so singularly presented, I asked him to leave the paper with me, which he accordingly did. He also read to me divers letters from individuals connected with state banks. The drift of his further observations was to satisfy me, that the executive arm alone could be relied on, to prevent a renewal of the U. S. bank charter.

The communication thus made to me created surprise and mortification. I was surprised at the position of affairs, which it revealed; and mortified at the low estimate, which had been formed of the independence of my character. I listened, however, respectfully, to one who gave such evidence of the confidence reposed in him; and awaited the explanation, which he intimated the President would give.

Soon after this interview, I took occasion to express, my mortification at my position, to the member of the cabinet, who had represented the President in asking me to accept office.

On the next evening (Sunday) Mr. Whitney again called on me, in company with a stranger, whom he introduced as Mr. Amos Kendall, a gentleman in the President's confidence, who would give me any further explanations, that I might desire, as to what was meditated in relation to the U. S. bank, and who then called on me, because he was about to proceed forthwith to Baltimore. I did not invite, nor check, communication.

* It is due to this gentleman to state, that he was, on the occasion roferred to, opposed to a removal prior to July, 1834, and was for only a gradual change afterwards.

† Lieut. Randolph's assault on the President.

Very little was said, and perhaps because I could not wholly conceal my mortification at an attempt, apparently made with the sanction of the President, to reduce me to a mere cypher in the administration.

The next morning, June 3d, I waited upon the President, and, as I had been apprized by Mr. Whitney would be the case, he soon introduced the subject of the bank. I stated that Mr. Whitney had made known to me what had been done, and what was intended, and had intimated that his communication was made at the President's desire. The President replied, in a tone of dissatisfaction, that it was true he had conferred with Mr. Whitney, and obtained information from him as to the bank, but that he did not make him his confidant, nor had he told him to call on me.* I enumerated the representations which

* Who is correct, the President or Mr. Whitney? The latter alleged, that he possessed the confidence of the President; and, as an evidence, detailed the circumstances, mentioned in the text. The President denied, that Mr. Whitney was his confidant, yet admitted the accuracy of his representations. While he was in Baltimore, on the 6th or 7th of June, the President related to Mr. Whitney, what had passed between us on the 3d: so, at least, said Mr. Whitney, and I think truly, for he repeated to me, what actually had been said, by the President and myself, in the conversation, referred to. The following letter will give further aid in deciding the question:

"*Washington, June 15th*, 1833.

"The Hon. W. J. Duane, *Secretary of the Treasury.*

"Dear Sir.—The object of addressing you this communication, is principally connected with what relates to myself. Having enjoyed the confidence of the President to a great degree, upon the subject of the bank, and that which relates to it, in which he has taken an interest: and knowing the views of the President, upon the subject of the removal of the deposites, and that he does not now look upon that, as a mere isolated measure, but as a part of, and connected with, the general policy of his administration; therefore, I look upon that measure as definitively resolved upon, so far as his views and recommendations have weight and influence.

"I have good reason to believe, that the President will forward a communication from New York to you, expressive of his views and wishes upon that subject. If, upon the receipt of that, and after a consideration of the matter, you shall determine to transfer the government accounts and moneys from the bank of the U. S. to state institutions, I presume that it will become necessary to employ some one, to whom the principal duty (under your directions) of organizing and executing the measure, and superintending it subsequently, shall be confided. Indeed, I think, you observed to me, on a former occasion, that such an appointment would become absolutely necessary, and that duties would arise, to require the constant attention of one individual.

"In case that measure shall be resolved upon, and such an appointment consequently be required, I take the liberty of tendering to you my services, to execute the duties, and to solicit the situation. In doing so, however much of egotism it may savour, I think I may venture to say, from my long acquaintance

Mr. Whitney had made, and their correctness was admitted. I said, I feared that I should not be able to see the subject in

with banks and banking, the attention which I have bestowed upon the subject (particularly in relation to the bank of the U. S.) and consequent familiarity with it, I should be enabled to discharge the duties and obligations imposed upon the person filling the situation, with as much credit to your department, and as satisfactory to yourself, the President, and the country, as any individual, who might be selected for that important station. At least, assiduity and zeal shall not be wanting to accomplish all of those desirable objects. I think I may also add, that I believe, I could make myself as acceptable to the state banks, which might be selected (if not now so) as any other individual. The state banks being required to pay all the expenses attending the measure, it is to be presumed, that, although the agent would be subordinate and responsible to the treasury department only, it would be desirable he should not be objectionable to them.

"I have never spoken to the President upon this subject, but circumstances lead me to think, that I should not be otherwise than perfectly acceptable to him. The only persons, to whom I have mentioned the subject, connected with the government, are Messrs. Taney and Kendall, to the former gentleman, about a week since at Baltimore, who replied in these words, '*I have always understood and taken it for granted, that you were to have the situation, when it is created.*'

"Were I to undertake to establish a *claim* upon the patronage of the government, I should advert to the large amount of revenue (more than one million six hundred thousand dollars) which I have faithfully paid the public: to the persecution, which I have experienced from the bank and its supporters, for obeying a mandate of congress, and fearlessly stating to its committee facts, which brought to light truths, and led to the exposure of the abuses and corruptions, practised by that institution. These are subjects, which I do not consider it necessary to enter upon at large now, if it should become so at all.

"I believe I may say with safety, that I could relieve you of all trouble and labour in the organization and execution of the measure, with the exception of supervising attention. Probably, at certain seasons of the year, when the department is much pressed by the labours, which congress imposes upon it, I might have it in my power to render you aid in some of the duties, particularly those connected with the tariff.

"Being perfectly familiar with the acts of misconduct of the bank, for many months past, and having all the documents which have been published in relation thereto, possibly I might render you service, while you have the subject under consideration, in which case it will afford me pleasure to do so.

"I am, very respectfully,
"Your most obedient servant,
"R. M. WHITNEY."

"*Treasury Department, June 17th*, 1833.

"R. M. WHITNEY, ESQ.

"SIR.—I respectfully acknowledge the letter, which you were so good as to send to me yesterday. Upon the public matter, therein referred to, I conceive, that any proceedings, on my part, would be, at least premature, under existing circumstances. Whenever the President shall express his wishes, in relation to any subject of public concern, or with regard to yourself, I will so act, I trust, as to merit the respect of the President, and preserve my own.

"Allow me to correct you, when you say, that I suggested, that an agent would be necessary. Of the structure, which you presented to my view, the agency consti-

the light, in which the President viewed it; to which he remarked, that he liked frankness, that my predecessor and himself had sometimes differed in opinion, but it had made no difference in feeling, and should not in my case; that the matter under consideration was of vast consequence to the country; that unless the bank was broken down, it would break us down; that if the last congress had remained a week longer in session, two-thirds would have been secured for the bank by corrupt means; and that the like result might be apprehended at the next congress; that such a state bank agency must be put in operation, before the meeting of congress, as would show that the U. S. bank was not necessary, and thus some members would have no excuse for voting for it. My suggestions as to an inquiry by congress, as in December, 1832, or a recourse to the judiciary, the President repelled, saying it would be idle to rely upon either; referring, as to the judiciary, to decisions already made, as indications of what would be the effect of an appeal to them in future.

After mentioning that he would speak to me again, before his departure to the eastward, the President said, he would take with him the *opinions* of the members of the cabinet, but would send them to me from New York, along with his *views;* and, on his return, would expect me to give him my sentiments frankly and fully. On the 5th of June, the day before his departure, we accordingly had another conversation, which he ended by saying, he did not wish any one to conceal his opinions, and that all he asked was, that I should reflect with a view to the public good.

I had heard rumours of the existence of an influence, at Washington, unknown to the constitution and to the country; and the conviction, that they were well founded, now became irresistible. I knew that four of the six members of the last cabinet,

tuted a part; and I admitted, no doubt, that, for such a structure such a part might be necessary; but I made no suggestion as to the building itself, or to any part of it; and, for the obvious reason, that I had not yet begun to consider, whether the structure itself should be erected.

"As to that part of your letter, which is personal, I will only remark, that no one is so sensible of my deficiencies, as I am myself; and that no one can be more grateful than I will be, for any advice or aid, that any of my fellow citizens may think proper to give, calculated to enable me to become a useful public agent. For the kind inclination on your part, I am thankful.

"Very respectfully, your's, &c.,

"W. J. Duane."

and that four of the six members of the present cabinet, opposed a removal of the deposites; and yet their exertions were nullified by individuals, whose intercourse with the President was clandestine. During his absence, several of those individuals called on me, and made many of the identical observations, in the identical language, used by himself. They represented congress as corruptible, and the new members as in need of especial guidance. They pointed out the importance of a test question, at the opening of the new congress, for party purposes. They argued, that the exercise of the veto power must be secured; that it could be in no other way so effectually attained as by at once removing the deposites; and that, unless they were removed, the President would be thwarted by congress. In short, I felt satisfied, from all that I saw and heard, that factious and selfish views alone guided those, who had influence with the executive; and that the true welfare and honour of the country constituted no part of their objects.

I was painfully impressed with these convictions, and also mortified that I should have been considered capable of entering into schemes like these;* when, on the 1st of July, I received

* While the President was in Philadelphia, on the 9th of June, 1833, he requested Col. Duane to favour him with his opinions; and, on a subsequent occasion, he renewed his request. It was not, however, complied with. On my own part, I did not hesitate to submit my views, to one, in whom I naturally confided, especially as he possessed the confidence of the President also. An original letter, which I wrote to Col. Duane, on the 2d of July, 1833, is now before me; and I make the following extract from it, because it exhibits my private thoughts, at that time, more distinctly than they could be now represented by the pencil of memory:

"My difficulty, on all matters, is to arrive at a decision—that is, I am cautious: when the decision is made, I am at rest and immoveable. I do not wish to anticipate, what may be better said in conversation; but I see no better way, for the public and myself, than to urge the President—

"1. To desist from such a prompt proceeding:

"2. To announce a resolution to proceed, before 1836, in gradually withdrawing deposites:

"3. To call on congress to appoint a commission, to consider the whole question of our currency, banking, &c.

"It is idle to say, that the questions involved are to be settled, or that they can be settled, by any one man. No country ever presented such a spectacle as this—a general bank, and as many minor banks, as the cupidity of men, in twenty-four states, can generate by all the means of delusion and chicanery. No one ought to have the assurance, to tell the world, that he can furnish a panacea for ills more numerous, than the progeny of Pandora's box. The truth is, the whole body is so disordered, that many sane persons mistake the plethora, from foul humours, as an indication of exuberance of health. That there ought to be some mode, by which government may collect and pay, throughout our immense coun-

from the President, the *letter* and *views*, embraced in the next chapter.

try, must be obvious—to collect and pay in coin alone, no one can now think of; at least I cannot—that there should be some other way, must follow—that collections and payments are now easily made, by the U. S. bank agency, is true—and, that they can be made so well, if at all, by state banks, I greatly doubt. So that, as regards the mere operations of government, the question is, how shall the collections and payments be made? To say, that the U. S. bank is unconstitutional and of evil tendency; and that the state banks are unconstitutional, irresponsible, and inefficient; is to bring us back to the inquiry, how shall we do without them? All the arguments of reason and ingenuity, against banks of all sorts, pass the main inquiry, what shall be the substitute? How shall the great operations of the country be conducted? How shall society itself be protected, against the abuses of banks, over which the national government itself has no sort of influence? How shall a cancer, spread through the whole frame of society, be treated, so as to save pain, and prevent death? Now, I have not the presumption to fancy, that I can answer these questions, at once, if at all. The most accurate detail of facts and occurrences, at home and abroad, on monetary matters; and the closest inquiry, into the effects of them; are essential foundations for decision. If, in the parliament of England, the duty of inquiry is not left to one or more ministers, surrounded with all the lights of experience and knowledge; why should it be supposed, that, after a residence of a month, in this anomalous place, I should be able to settle points of the utmost difficulty and consequence? The inquiries, to be made, embrace considerations of constitutional law; of the rights of the several states; of the complicated interests of a great and growing people, in transactions between themselves, and between them all and foreign nations: and it does not become me, at least, to assert a competency, and at once, to make them with accuracy and effect. An inquiry, into the means, by which the fiscal operations may be conducted, can scarcely be separated from an investigation of the means, by which the monetary operations of society may be carried on; so that questions are presented, upon which men of the highest intellects, attainments, and experience, have differed, in the country, to whose fountains we are so prone to resort for the waters of knowledge.

"My main desire, therefore, is to procure a patriotic, thorough, and business-like investigation, of the whole subject of our currency; such an inquiry as ended, in England, for instance, in the production of the celebrated bullion report. For upwards of forty years, we have been departing, further and further, from the principles and views of the founders of our government. If their principles and views were unsound, or are unsuited to our present condition, let the discovery be fairly made, and represented; but, if those principles and views are productive of human welfare, let us return to them, gradually—as slowly as we departed from them. It surely is time, on such momentous subjects, to have sound and stable legislation. Can we have it, without a foundation of facts and elucidations? Is such a foundation to be laid, amidst the excitements of a session of congress? —a congress, composed of members so dissimilar, in education, information, opinion, interest, and prejudices. A general committee, of members of both houses, should sit in the recess, as a commission, authorized to call before them all well-informed persons, to answer interrogatories on all monetary matters. Specific information should also be obtained abroad. You understand my object, and must, I think, consider it at least discreet."

CHAPTER II.

Boston, June 26, 1833.

W. J. DUANE, ESQ.,
Secretary of the Treasury.

MY DEAR SIR,

I send you herewith a paper, containing my views upon the subject of a discontinuance of the government deposites in the bank of the U. S., and the substitution of certain state banks as the fiscal agents of the United States, so far as those duties are now performed by that institution.

The only difficulty, I have for some time had upon the subject, has been as it respects the time, when this change should commence. Upon a careful review of the subject, in all its bearings, I have come to the conclusion, that it ought to be done as soon as we can get ready, and at furthest by the 1st or 15th of September next, so that we may have it in our power to present the new system to congress, in complete and successful operation, at the commencement of the session.

In the furtherance of this object, it is in my opinion desirable, that you should appoint a discreet agent to proceed forthwith, with proper credentials from your department, to the cities of Baltimore, Philadelphia, New York, and Boston, to consult with presidents and directors of state banks, in those cities, upon the practicability of making an arrangement with them, or some of them, upon something like the following terms, viz.

1st. That one bank be selected in Baltimore, one in Philadelphia, two in New York, and one in Boston, with a right on the part of the government to add one in Savannah, one in Charleston, S. C., one in the State of Alabama, one in New Orleans, and one in Norfolk, upon their acceding to the terms proposed, which shall receive the deposites in those places respectively, *and* be responsible to the government for the whole public deposites of the United States.

2d. That these banks shall have the right, by a convention of their presidents or otherwise, to select all the banks at other points, throughout the United States, in which the public money

shall be deposited, with an absolute negative by the secretary of the treasury.

3d. That the secretary of the treasury shall have power to discontinue the deposites in any bank, or banks, or break up the whole arrangement, whenever he may think proper; he giving, in such case, the longest notice of his intention to do so, which the public interest may admit of.

4th. That the primary and secondary banks shall make returns of their entire condition, to the secretary of the treasury, monthly, and as much oftener as he may require, and report to the treasurer weekly the state of his deposites; and that they will also subject themselves to a critical examination of their books and transactions, by the secretary of the treasury, or an authorized agent, whenever the secretary may require it.

5th. That the arrangement of the government be only with the primary banks, which shall be responsible to it, not only for the safety of the entire deposites, wherever made, but for making payments at any places, in the United States, without charge to the government, in gold and silver or its equivalent, of any sum which may be required there to be paid by the secretary of the treasury: that they shall also pay any expenses, that may attend the removal of the deposites, as also the compensation and expenses of any agent, temporary or permanent, whom the secretary may appoint to examine into their affairs.

6th. That they will render or cause to be rendered without charge, every service, which can now be lawfully required of the bank of the U. S.

7th. It would be inconvenient to employ all the state banks in good credit, at the places designated for the location of the primary banks; but it is nevertheless extremely desirable to secure their good will and friendly co-operation. The importance of that object is too obvious to require elucidation. It is supposed it might be accomplished, by an arrangement between the primary banks and the other institutions in their immediate vicinity, by which, in consideration of an assumption, by them, of a share of the responsibilities assumed by the primary banks, an equitable share, all circumstances considered, of the benefits of the public deposites, would be secured to the other institutions referred to. This might be done by allowing them respectively a credit, at the selected banks, equal to their share of the deposites, taking into view the amount of capital, the trouble of the primary banks, and all other circumstances entitled to considera-

tion. If such arrangement could be made, it would increase the actual security of the government, consolidate the entire mass of the mercantile community, of the principal cities, in favour of the system, and place its success and permanency beyond contingency. If the negotiation on the subject is, in the first instance, opened with delegations from all the banks, in the cities referred to, and them candidly informed of the desire of the government, to award facilities and extend equal benefits to all, but that in case of failure to make such an arrangement, it would have to select, at its own pleasure, the requisite number, there is reason to hope the arrangement would be brought about. Amos Kendall, Esq., would, in my opinion, be a proper person to be employed in the proposed negotiation. These views will be regarded by you, as suggestions for your consideration only, and will, if adopted, without doubt, be rendered more complete and effectual, by such modifications and additions, as may present themselves to your own mind.

You will at once perceive that it is not my wish to remove from the bank of the U. S. the funds of the government, which may happen to be on deposite there when the proposed change takes place, otherwise than as they may be wanted for the service of the government, but that they be exclusively drawn upon for that object until they are exhausted.

In making to you, my dear sir, this frank and explicit avowal of my opinions and feelings, it is not my intention to interfere with the independent exercise of the discretion, committed to you, by law, over the subject. I have thought it, however, due to you, under the circumstances, to place before you, with this restriction my sentiments upon the subject, to the end that you may, upon my responsibility, allow them to enter into your decision upon the subject, and into any future exposition of it, as far as you may deem it proper.

I have the honour to be, very respectfully,
your most obedient servant and friend,
ANDREW JACKSON.

To the HON. W. J. DUANE,
Secretary of the Treasury.

SIR.—The President of the United States deems it proper to submit to you, a full development of the policy, which he thinks it his duty to pursue, in relation to the bank of the U. S., and

the future management of the public revenue, so far as it depends on his action or authority.

In his first message to congress, in December, 1827, he expressed his doubts of the constitutionality and expediency of the present bank of the U. S., and called the attention of his fellow citizens, as well of congress as of the country at large, to the question of its re-charter, or the substitution of a new bank, organized upon different principles.

In his message of December, 1830, he repeated his doubts on this subject, and threw out for consideration some suggestions in relation to a substitute. In his message of December, 1831, he referred to the opinions expressed in the preceding annual messages, and declared that he left the subject, to the consideration of the people, and their representatives. At that session of congress, the bank petitioned for a renewal of its charter, and the representatives of the people and of the states, in congress, by a majority of both houses, passed a bill granting the request; upon this bill the President deemed it his duty to put his constitutional veto.

The President was then a candidate for re-election. His veto of the bank bill brought the subject directly before the people, who were about to express their opinion upon his official acts.

By both parties in the contest, the principal issue was joined upon the bank veto, and, by a decisive majority, the people condemned the bill passed by congress, and approved the act of the President, declaring the bank to be both inexpedient and unconstitutional. To this decision, given by the highest power known on earth, it was hoped that the bank and its advocates would cheerfully submit. To the public functionaries, who are now called upon to act on the subject, it seems to the President, that it ought to be a rule and guide, next in authority to the constitution itself, because it was given by a majority of the states, and a majority of the people, who make the law-makers, and have a right to direct them. He therefore considers it a settled question, so far as public sentiment is concerned, that the present bank of the U. S. is not to be re-chartered.

Thus far no suggestions of any particular substitute, seem to have been received with favour by the great community. To most of the projects which have been thrown out, the same constitutional and other objections exist, which have induced the people to condemn the present bank. In the President's

view, any bank created by congress, authorized to exercise corporate powers, or transact private business out of the District of Columbia, without the consent of the states, would be unconstitutional; and it is questionable whether any bank, whose corporate powers should be limited to the District, would succeed in making such arrangements, with the state governments, as would enable it to act efficiently under their jurisdiction, as the agent of the general government, in the management of its fiscal concerns.

There is just ground to fear, that in the creation of a substitute, as great danger, if not greater, may be incurred, as that which now threatens the American people. A corporation of individuals deriving its powers from congress, pervading every section of the Union, will, in the general, by controlling the currency and leading men of the country, be more powerful, than the government, and may seriously thwart its views and embarrass its operations. This is one of the dangers of the present bank. But any substitute, which should concentrate the same or a like power, and be put entirely under the control of the general government, might by the union of the political and money power, give the administration of the general government more influence, and the government itself more strength, than is compatible with the safety of the states, the liberties of the people, and the purity of our republican institutions.

Having considered the subject in all its bearings, the President has come to the conclusion, that all idea of any substitute for the present bank, in the shape of a new institution, ought to be abandoned, at least for the present. The President having adopted this opinion, as the guide of his future conduct, it becomes the bounden duty of the executive branch of the government, to make a different and seasonable provision, as far as it has power to do so, for this branch of the public service.

The state institutions are, in his opinion, competent to perform all the functions which the U. S. bank now performs, or which may be required by the government. At the same time that they cannot so effectually concentrate the money power, they cannot be so easily or effectually used for individual, political, or party purposes, as a bank of the U. S. under any form, or of any character. It is therefore the desire of the President, that you should immediately turn your attention, to the making of such arrangements, as will enable the government to carry on all its fiscal operations, through the agency of the state banks.

Connected with this subject, is the question of a discontinuance of the public deposites, in the bank of the U. S., and the substitution of the state banks for that purpose. That such a change must at length take place, is admitted by all those, who acquiesce in the decision of the American people at the last Presidential election. The question is merely one of time.

The embarrassments, that would unavoidably result from an omission to make the change until the expiration of the charter of the bank of the U. S., are too apparent to require explanation. The least reflection, and the slightest acquaintance with the subject, will suffice to satisfy all disinterested and unprejudiced minds, that unless the President looks either to a renewal of the charter of the present bank, or the establishment of a new one, from either of which views he is precluded by his declared opinions, he would best discharge his duty by putting the plan, which he proposes, in operation, in sufficient season before the expiration of the charter, to afford a satisfactory test of its practicability when that time arrives.

The charter of the present bank, expires on the day of 1836. With the best exertions on your part, it will not probably be in your power to complete the arrangements, with the state banks, so far as to enable you to commence the deposites in them, until the middle of September. From that time to the expiration of the charter is upwards of two years; a period, which will not be more than sufficient, to test the efficacy and propriety of the substitute, he wishes to have adopted. The President is, therefore, of opinion, that it would be a just and wise exercise of the discretion in the matter, conferred by law on the secretary of the treasury, to direct the public deposites to be made in the state banks, from and after the 15th of September, if the arrangements, to be made with them, shall then have been completed. The President has no doubt that the proposed experiment will serve to satisfy the people, that a national bank can be dispensed with, without serious injury or embarrassment to the public service, or the substantial interests of the country. If the result be otherwise, it will then become the right and duty of the government and people, to decide between enlarging the authority of the general government, and the exercise of that, which it possesses, within the District of Columbia.

The only objections, that can be made to so early an exercise of the authority, conferred upon the secretary of the treasury,

over the public deposites, must have their foundation, either in the interests of the bank, and the supposed claim of that institution upon the favour of the government, or in a supposed capacity and disposition on the part of the bank, to impair the public credit, and embarrass the pecuniary affairs of the country, in case of a disregard of the wishes, and in an apprehended deterioration of the currency.

The President does not find any insuperable obstacle to the proposed measure, in either of these considerations. The bank has now no right to invoke the favour of the government. Whatever may, heretofore, have been its claim in that respect, it has, the President regrets to say, been forfeited by the unjustifiable and high-handed manner, in which its affairs have been administered; an administration in many important respects unfaithful as an agent of the government, and which, in the opinion of the President, proves it to be an unsafe one. So far as the interests of the bank are identified with those of the public, and as it respects a careful observance of the public faith, by securing to the bank the full enjoyment of all the legal rights which are conferred by its charter, the government will doubtless perform its duty. Further than this, the bank has no claim upon its favourable consideration.

It is the duty of the bank, to wind up its concerns in such a manner as will produce the least pressure upon the money market. This duty is rendered imperative, as well in consideration of the extensive exclusive privileges, which it has so long enjoyed, as by the best interests of the stockholders. But if, on the contrary, it be the pleasure of those intrusted with the management of its affairs, in revenge for a refusal of the government to comply with its wishes, by continuing to it privileges, when all moral as well as legal rights to them have ceased, to mark its dissolution by such an abuse of the national trust, the country must abide the issue. To succumb to the demands of the bank, upon such pretences and under such a menace, would be a virtual subversion of the government, productive of more immediate dishonour, and ultimate detriment to the best interests of the nation, than can possibly arise from the adoption of any other cause. The President is, however, happy to believe, for reasons hereinafter given, that there is no solid foundation for the alarm which has been sounded on this subject. That the currency of the country, could be better preserved by means of a well regulated and honestly conducted national bank, is very

possible; although it is quite certain, that the difference between a circulating medium, supplied by such an institution, and that which is furnished by the state banks, in the present prosperous condition of the country, is greatly exaggerated. But if the apprehended derangement of the currency should take place, it will be for the people to say, whether they will seek redress from the evil, by conferring constitutional power on congress to establish such a bank. No good citizen, it is hoped, will desire to have it done in violation of the constitution. If the evil were upon us, we should not seek an exemption from it, at such a sacrifice; much less ought we to involve ourselves in it, upon the mere anticipation of inconveniences, which may never happen, and which the President firmly believes are not to be justly apprehended. He will state the facts, upon which these opinions are founded—facts which he believes to be incontrovertible—and he will accompany that statement with such observations as are in his judgment called for by the occasion, and fully justified by the nature and character of the transactions referred to.

At the beginning of the year 1831, the aggregate debt due the bank of the U. S., was $42,402,304. Although it was well aware, that the government designed shortly to call out nearly all the large deposite it then had in bank, for the purpose of paying the public debt, and that its charter would expire in a few years, it nevertheless proceeded to increase its loans in such profusion, that in May, 1832, the debt due to it was $70,428,070 —showing an increase in sixteen months, of $28,026,766, equal to about sixty-six per cent.

The *motive* of this enormous extension of loans can no longer be doubted. It was unquestionably to gain power in the country, and force the government, through the influence of debtors, to grant it a new charter.

The *effect* of the extension was to put it out of the power of the bank, promptly and faithfully to pay over the public money received by it, upon the demand of the government, in discharge of the public debt. The expedient to which it resorted, to sustain itself, under this unprecedented extension of its business; and the pretences by which it has attempted to justify them; have proved it to be unworthy of the confidence of the government.

It will be recollected, that the greatest extension of the business of the bank, was in May, 1832. It has since been proved, by its official acts and correspondence, that in March, 1832,

two months before the extension had arrived at its maximum, a negotiation was commenced with agents representing about $1,700,000 of the three per cent. stock in Holland, and about $1,000,000 held elsewhere, with the object of relieving the bank, from its payment for one or more years after it might be required to be paid by the government. After this negotiation had been commenced, a notice from the treasury department, that the government intended to pay off one half of the three per cent. stock on the 1st of July, succeeding, brought the President of the bank to Washington, for the purpose of soliciting a postponement of that payment, until the first of the succeeding October. Upon his representation, that in case the payment were required in July, the bank would be unable to accommodate the debtors of the government, especially in New York, as it had done, and desired still to do, and upon his undertaking, on the part of the bank, to pay the interest for the quarter, his request was granted. By developments since made, it appears that not even the usual indulgence had been, or was thereafter extended, to the debtors of the government, or others at New York, or elsewhere; their accommodations having been largely curtailed; and that the only conceivable motive of the bank, in asking the indulgence, and agreeing to pay for it, was its own inability, with convenience or safety, to pay over a portion of the large public deposite, on the 1st of July.

The relief, obtained by this indulgence of the government, was not as extensive as the condition of the bank seems to have required. The negotiation, with the agent of the Dutch holders of the three per cents, was continued; and early in the month of July, when the bank understood that the government intended to pay off the whole of the three per cents, in the latter part of the year, a mission to England was projected, with the view of secretly negotiating with the holders of those stocks, residing abroad, and inducing them by the payment of an interest equal to that paid by the government, or greater if necessary, not to present their certificates for payment, for one year at least. The agent of the bank sailed for Europe, in July, to make the arrangement, at all events; and on the 22d of August, entered into an agreement with the house of Baring, Brothers, & Co., by which, in consideration of the payment of all expenses, and a commission of one half per cent. by the bank, they undertook—

1. To invite the holders of the three per cent. stock of the United States, to retain the stock until October, 1833, the bank paying the interest quarterly.

2. To pay up the said three per cents on behalf of the bank; the Barings retaining the certificate, and passing their account to the debit of the bank, which undertook to pay any interest they might be obliged to pay.

3. To give the bank a credit, in addition to its running credit, for a sum sufficient to make up $5,000,000, if the purchased and deferred stock should fall short of that sum, charging the same interest as in their running account with the bank—their whole advances to be reimbursed by the bank, in October, 1833.

The first item of this agreement was in direct violation of the duty of the bank, to the government, inasmuch as it was an interference, without its knowledge or consent, to prevent the payment of the national debt, at the period when it was required, the stockholders being permitted, as one article of the contract with them, to retain their certificates. This was the less excusable in the bank, because, the amount, required to be paid on the 1st of October, was less than $9,000,000, when the public deposites, at the time the agent was sent to England, and the agreement was formed, exceeded $11,600,000, and on the 1st of October, had increased to $13,661,193.

The second item of the agreement, was a direct violation of the charter of the bank, which forbids the purchase by it of the public stocks of the United States.

The substance of the three items of this agreement, specifically set forth, was received by the president of the bank, in a letter from the agent, about the 1st of October, 1832, the time at which the payment of two-thirds of the three per cent. stocks was required by the government to be made. This arrangement, relieving the bank from the necessity of making payment in October, and the succeeding January, to the amount of $5,000,000, or providing means to meet them other than the usual resources of the bank, enabled the institution, at the time of its receipt, to change its policy, measurably suspend its curtailments, and in some quarters extend its accommodations. These steps, taken immediately upon the receipt of the substance of the agreement, indicate that the bank sanctioned the act of its agent, and did not then contemplate any disavowal, or change of its terms.

This negotiation had been commenced and consummated, without the knowledge of the government. The agreement formed was even concealed from the directory of the bank, and they were induced by other considerations, urged by the president, to change the policy of the institution.

About the 12th of October, through the publication of the circular sent out by the Barings, in pursuance of the agreement with the bank, the government and directory obtained the first intimation of the transaction. It was now evident that all its features must come to light, and three days afterwards the president of the bank, wrote a letter to the Barings, disavowing so much of the agreement as related to the purchase of stocks, and proposing a new arrangement in relation to the deferred stock, which should at the same time relieve the government from its responsibility, and the bank from the payment of the money, at least for one year.

From that time forward, the bank has been struggling to retrace its steps, and rid itself of its first secret and unauthorized agreement. It has procured most of the certificates, and surrendered them to the government; but has made new arrangements, avoiding the payment of money for them to a large amount, thus confirming the inability of the bank, to pay over the public money, on deposite, when it was required. If the new arrangement proposed, in relation to the purchased stock, and other stock which the Barings were requested to purchase, under certain circumstances, has been carried into effect, it is in fact as much a purchase, and as much a violation of the charter, as the first transaction.

The President thinks the conclusion cannot be resisted, that it was the purpose of the bank, or its chief managers, to carry into effect the illegal contract with the Barings, and that this result was prevented only by the publicity casually given, of the transaction; and he does not consider that any confidence is due to an institution which is ready to violate its charter, and thwart the payment of the public debt, provided the means and manner by which it operates can be concealed from the government, and the country: nor does it recommend itself to public confidence, when it alleges, as reasons for the various negotiations, and arrangements, a desire to accommodate the public debtors, which it never did, and to avert the evils of a pestilence, which had neither appeared nor was anticipated, when they were first originated. Least of all, can the government place any confi-

dence in it, when it has attempted, without the least foundation in fact, to attribute its own illegal and unauthorized acts, to suggestions made by the government itself.

The President looks upon these transactions, as conclusive proof, of the inability of the bank, during the year 1832, to refund to the government, its public deposite, for the payment of the public debt, as it was its duty to do. And he considers the pretences and misrepresentations, by which it has attempted, to conceal the true cause from the government and country, as proving it to be unworthy of public trust. Not the least obnoxious, of these transactions, is the object, for which the bank sought to retain the public deposite, and postpone the payment of the public debt. It had used the money of the people, in extending its loans $28,000,000, in sixteen months, for the purpose of bringing the people within its power. It had secured, to its interest, editors and presses, by extraordinary loans, upon unusual terms. By the same means, it had sought to procure the friendship and respect, of public men, who might have an influence or a vote, upon the question of its re-charter. By the use of the public funds, as well as its own, it was attempting to control public opinion and overawe the government. It begged indulgence of the government, that it might retain its own funds as the means of controlling it; and, when those funds could no longer be retained, with its consent, it sought to keep them without its consent, by secret arrangements with the public creditors, residing in Europe; and, when detected, in this effort, resorted to direct loans, from the subjects of foreigners, to enable it to accomplish the same ends.

It was when its loans and accommodations were approximating, to the highest point, that the bank came before the government, for a re-charter; and they reached their maximum, while the subject was under consideration in congress. With debtors to the amount of seventy millions of dollars, it threw itself into the political arena, and submitted its case to the people of the United States. Its presses poured forth their arguments, and predictions of mischief, from the veto of the President. It expended its money in the publication and distribution of political essays, affecting the question of re-charter, and impeaching the acts of the executive. The most direful evils were anticipated, by its advocates, from its destruction. Every effort, which money could command, or zeal render, was made to secure, in its favour, the verdict of the American people. In this struggle,

itwas sustained, not only by its own funds, but by a public deposite of $12,000,000. It was to be expected, that, after being defeated, in a conflict so tremendous, it would have acquiesced in a decision, which it had sought and provoked; and, without further exerting its power, or spreading its corruptions, would have been content quietly to wind up its concerns. Contrary to this just expectation, its organs and advocates declare it to be again in the field, seeking to over-rule, through an act of the agents of the people, the solemn decision of the people themselves. It has been increasing its accommodations, to the managers of the press, and favouring public men with extravagant loans, for unusual terms, and on doubtful security. The chief business of the bank, instead of being performed by "not less than seven directors," as enjoined by the charter, and in accordance with the rules, has been done by committees, whose proceedings are concealed from the board. To cut off all channels of communication, with the government, in relation to its acts and abuses, not one of the five government directors was, at the commencement of the present year, appointed upon a single committee. And when those directors sought, to reform this abuse, and restore the business of the bank, according to law, and its own rules, that board instead of changing the practice to conform to the rule, changed the rule so as to conform it to the practice; thus, not only in practice, but by a positive rule, violating, repealing, and setting aside an express and material provision, in the act of congress which gave it existence. Although at a more recent period, and by an unusual remodelling of the committees, a part of the government directors has been placed upon some of them, yet, in the exchange committee, through which most of the extraordinary loans, referred to, have been made, the government is still wholly without representation.

The allegation recently so often promulgated, that the treasury of the United States was exhausted, and insolvent, when it has not, within the last and present year, had less than six millions of public money in its vaults, might have been passed over as a harmless misrepresentation; but when the bank seeks, by substantial acts, to impair the credit, and depreciate the honour, of the country, at home and abroad, the affair assumes a different aspect. A bill was drawn, by the United States, on the government of France, for about $900,000, being the amount of the first instalment, then due, under the late treaty of indem-

nity. The bank became the purchaser of the bill, and it was accompanied, as required by the treaty, with an order of the President formally executed, authorizing the cashier of the bank, or his assignee, to receive the proceeds. But the money, for which the bill was sold, instead of being drawn out by the government, remained in the bank. The French government, contrary to all calculation, suffered the bill to be protested; and it was paid, out of the funds of the bank, by the agent in Paris. The bank, without having incurred any damage, save a trifling expense, and a trifling disappointment, has claimed of the government, without law, and contrary to right, fifteen per cent. for damages, amounting to about $135,000 with interest. This it does, although it has had the use not only of the proceeds of the bill, but of a public deposite, equal to seven or eight millions of dollars, during the whole time, free of charge. This claim, and the spirit in which it is presented, ill became an institution, which was created for the convenience of the government, has had, for ten years, an average public deposite of nearly nine millions of dollars, which it has used without charge, in loans and exchanges, at great profit, and, even now, has thus in use about eight millions of the public money.

By these misrepresentations and acts, on the part of the bank, the President thinks it has forfeited all claim to the confidence of the government, and ought not to be longer retained in its service.

In his message, at the opening of the last session of congress, the President recommended "an inquiry into the transactions of the institution, embracing the branches, as well as the principal bank;" with a view of ascertaining, whether it was any longer a safe depository of the money of the people.

The apprehension, intended then to be expressed, was not, that, upon a final settlement of all its concerns, the bank would not be able to pay, the government, the amount of its deposite; but simply, that it was unable, or unwilling, to pay over that deposite, when demanded by the government, for the public service; in either of which events, it must be pronounced unsafe. The committee of ways and means of the house of representatives, to which the subject was referred, did not make the general investigation, recommended by the President. They confined themselves, chiefly, to the transactions relative to the three per cent. stocks, and elicited many facts tending rather to increase, than diminish, the apprehensions previously entertained. In the

slight attention, paid by them, to the general concerns of the institution, several important facts, of the same tendency, were disclosed; particularly in relation to the means, by which it had kept up the appearance of great strength, during the year 1832, and the character of its western debt. In the facts, developed by the committee, the President finds cause, rather of increased apprehensions for the safety of the public interests, if the connexion between the government and the bank be further maintained, than of any abatement of those expressed in his message.

It is true, that the house of representatives, without examining, or having an opportunity to examine, on account of the lateness of the session, and then not being printed the report of the minority, or the evidence upon which the views of either the majority or minority are maintained, declared, by a large majority, that, in their opinion, the public deposites were safe in that institution. The expression of opinion, though entitled to much respect, is neither conclusive nor obligatory upon the executive department, if the state of its information leads to a different conclusion. It is deemed of the less weight now, because, the subsequent conduct of the bank has evinced its determination, to persist in and perpetuate the abuses, which have heretofore given just cause of complaint; to misrepresent its own condition, and that of the treasury, and to impair the credit of the government itself.

But, the insecurity, of the public deposites, is not the only reason, which will justify their removal from the bank of the U. S. The President thinks, that the use of the means and power, which they give, to corrupt the press and public men, to control popular elections to procure a re-charter, contrary to the decision of the people, and to gain possession of the government, which it was created to serve, are substantial reasons, requiring their removal. He thinks, that reasons equally conclusive may be found, in the exclusion of the government directors from all participation in the principal business of the bank; performing, in secret committees, that which should be done in full board; and, cutting off, as far as possible, from the government, all knowledge of its material transactions, and the condition of its debt. But the strongest and controlling reason, in the mind of the President, is, that, which has been before referred to, and which consists in the necessity of organizing a new scheme for the collection, deposite, and distribution of the public revenue, based upon the state banks, and making a fair experi-

ment of its practicability, before the expiration of the charter of the existing bank; that the country may have a fair opportunity to determine, whether any bank of the U. S. be necessary or not.

The President has weighed, with great care, the reasons, which have been urged, from all quarters, against severing, at present, the connexion between the bank and the government. A leading objection is, that the bank of the U. S. has the power, and, in that event, will have the disposition, to crush the state banks, particularly those which may be selected, by the government, as the depositories of its funds; and thus cause widespread distress and ruin, throughout the United States. If this apprehension be well founded, it proves two things of fearful import; first, that the bank of the U. S. has the power to accomplish the ruin of the state banks, and cause general bankruptcy and distress among the people; and accordingly, that there is a disposition to exercise that power, unless its forbearance be purchased by that of the government. A conviction, that these things are so, instead of inducing the President to forbear, would only make him the more determined, by all the legitimate means in his power, to resist a corporation, which, altogether irresponsible to the people, already holds in its hands their interests and their happiness. If this despotism be now partially fixed upon the country, a struggle must be made to cast it off, or our people will be forever enslaved; and that struggle can never be made, with less distress to them, or under more favourable auspices, than at the present moment.

But the President looks, as already stated, upon all these apprehensions, as destitute of real foundation. The same language was held, before he put his veto upon the re-charter of the bank, as well as subsequent to that important act. Time has shown, that the curtailment, of the accommodations and of the circulation of the bank, produces no sensible effect upon the business of the country. The establishment of new state banks, and an extension of the old, fill up the space, from which the U. S. bank withdraws; and the community, at large, is scarcely sensible of the change. Such will be the progress of events, until the bank has wound up its concerns, and ceased to exist; when its absence will neither be felt nor regretted by the people.

It is the President's opinion, that the power over the state banks, which the bank of the U. S. now possesses, is derived almost wholly from its receipt of the public revenue. It is chiefly

through the money, thus received, that it obtains, directly or indirectly, the paper of the state banks, and raises balances against them. If its receipts of the public revenue shall cease, its means of raising those balances will cease. If the state banks become the receptacles of the public revenue, they will be instantly enabled to raise like balances against the bank of the U. S. and its branches. That bank will not only be deprived of power, but that power will be transferred into the hands of the state banks; thus producing a double effect on both parties. The state banks, being without branches, have but one point to guard, and all their concerns are under the eye of one directory; but, the bank of the U. S. being divided into twenty-six offices or departments, scattered through the Union, has twenty-six points to guard; and, not knowing at which an enemy may strike, must be prepared at all. If it make war upon the state banks, selected as the agents of the government, what can prevent the latter from accumulating, in the receipt of the revenue, the notes of any one of the interior branches, to an amount larger than their specie on hand, and, without notice, presenting them at their counters for payment? How would the bank of the U. S., in case of a contest, with the state banks, guard against the stoppage, by this process, of all their interior branches in detail; especially when it is considered, that the notes of all its branches, in consequence of being received in payment of revenue duties, naturally concentrate at Philadelphia and New York, where they constitute in fact, as shown by the bank reports, almost the entire currency in which those duties are paid? By this tendency of the currency, large balances now accrue, in the principal bank and Atlantic branches of the U. S. bank, against the interior branches; the inconvenience of which is not seriously felt, because they are all parts of the same institution. But the state banks, when in receipt of this paper, will not permit them to accumulate; and, if they choose to make war on the interior branches, may, with perfect ease, break them up, one after another, by throwing back their circulation in masses, which they will not be prepared to redeem.

It has been urged, as an argument in favour of a bank of the U. S., as well as not disturbing the present bank by a removal of the deposites, that great injury will accrue to the country, from a loss of the general currency, every where of equal value, now alleged to be furnished by the bank of the U. S. The only currency, known to the constitution of the United States, is

gold and silver. This is consequently the only currency, which that instrument delegates to congress the power to regulate. A general paper currency, being unknown to the constitution, does not come within the scope of any of its provisions, and cannot be regulated under its authority. To prove its usefulness, or necessity, might prove the expediency of enlarging the powers granted in the constitution, but not of exercising a power not granted.

But it is not a fact, that the bank of the U. S. furnishes a currency of equal value throughout the country. The notes of one branch are not cashed at another; nor are they taken on deposite, nor generally even in payment of debts. So far as its own business is concerned, as independent of that of the government, the notes of each branch are now a local currency, and their credit confined to its vicinity. But the government, by receiving all those notes in payment of duties and taxes, throughout the United States, gives the general credit they possess; in opposition to the policy of the bank. If the favour, of the government, were withdrawn, and branch notes no longer received in payment of public revenue, the present policy of the bank would make them as much a local currency circulating only in the immediate vicinity of the branches, whence they issued, as are now the notes of the state banks. And it is in the power of the government, at any moment, to give a general credit to the notes, of twenty-six or any other number, of state banks, by announcing that they will be received in payment of public dues, throughout the United States. It is not the bank, therefore, which furnishes the general currency, but the government. The bank only stamps the paper and puts it in circulation, but it is the government that gives it a general credit. When the U. S. bank shall cease to be, we shall still have such a paper currency consisting of the notes of state banks, receivable in payment of the public dues. It will be, as it is now, the act of the government, and that only, which will give it a general circulation and an equal value. On that score, therefore, no serious inconvenience will arise to the government or the people.

As an argument, that the present bank ought not to be further molested, and that its charter ought to be renewed, or another bank established, to take its place, reference is frequently made to the distresses of the last war, and the derangement of the currency, which grew out of them. The President is satisfied, that, had the old bank of the U. S. been continued in existence,

during that period, instead of aiding the government, in carrying on the war, it would have compelled it to make peace on ignominious terms. Not only was a large portion of its stock held by the subjects of the British monarchy, but they had a right to vote in the choice of directors, and much of the domestic stock is believed to have been held by men, who were equally disposed to embarrass the prosecution of that war. So far from aiding the government itself, it would, undoubtedly, not only have opposed it, but prevented the state banks from rendering that aid which was actually received from them.

It is unjust to the state banks, to attribute, to them, the embarrassments of the government and country, which led to the suspension of specie payments and a depreciated paper currency; all those evils are attributable to other causes.

In consequence of combinations, among men of wealth, opposed to the war, the requisite loans of money could not be procured—disasters overtook our arms, for the want of the necessary supplies of funds; and others were threatened. If patriotism ever actuated banks, it was felt in the operations of many of the local banks, at that gloomy period. At the hazard of their existence, they furnished the means of raising armies, and maintaining them in the field; and it was in their efforts to sustain the government, that they so far crippled themselves as to be obliged to suspend the payment of specie. If the bank of the U. S. had then existed, it must have done as the state banks did; or, it would have effected nothing, in support of the government. If it had not joined the combination, against the government, it could not have furnished the funds, which the exigencies of the country required, without suspending the payment of specie. Instead of hostility and persecution, the government owed the state banks, gratitude and support. Their credit, during the whole war, was as good as its own; and, without their aid, the treasury must have stopped payment. But no sooner had peace arrived, and a profusion of revenue begun to flow in, than the government, not recollecting that it was impossible for the state banks, at once to bring down their business, and redeem themselves from the difficulties, into which they had thus been led, insisted upon an immediate resumption of specie payments; and because a demand, so unreasonable, was not forthwith complied with, created a new bank of the U. S. to coerce them. There is not a doubt in the mind of the President, that had not this institution been created, all the state

banks, which were sound, would have been compelled, by public opinion, to resume the payment of specie, as soon as they were able; and that, in a short period, every section of the Union would have enjoyed a sound currency. And is it not evidently fallacious, to anticipate now, in a time of profound peace, and unexampled prosperity, the same results, which then flowed, not from the destruction of the old bank, but from a desolating war, the suspension of commerce and universal embarrassment? We are often told of the alleged difference of exchange, between the northern and southern states, at that period; and it is attributed to the state banks. Those banks, in the north, which looked coldly upon the great contest, and gave no aid or support to the government, were enabled to maintain the payment of specie, while more patriotic institutions were compelled to stop. Their paper consequently depreciated, and that, which is now so often spoken of as difference of exchange, was in reality, a difference in the value of the currency, which would never again arise but under similar circumstances. And who believes, that public opinion will ever maintain the banks, in any quarter of the Union, in refusing to redeem their notes in a time of profound peace and general prosperity? No such result is to be anticipated. There will only be a difference of exchange, which can never much exceed the cost of transporting specie, and by arrangements among the banks may be less.

It is frequently boasted, that the bank of the U. S. is largely beneficial to the country, in effecting domestic exchange at a low rate. There are two sorts of exchange business carried on by the bank of the U. S. The *bona fide* exchange, in which the merchant or trader deposites his funds in one branch of the bank, and takes a check or draft on a distant branch, near the spot where he wants to use them; or, draws and sells to the bank, a draft on a fund, deposited to his credit, in a distant branch, or which he verily expects will be—is undoubtedly beneficial to the country. But that kind of exchange business, which is carried on, by drawing and redrawing, to enable speculators to raise funds, and men in desperate circumstances to sustain their credit, is a source of much mischief to the country. It is evident, from developments heretofore made, that a large portion of the exchange business, now done by the bank of the U. S., is of this description. If that bank should cease to exist, there is no reason to suppose, that the *bona fide* exchange will not be carried on, by arrangements among the state banks, on

terms nearly, if not quite, as favourable, as it is now. That which is profitable to one great institution, carried on through many branches, must also be profitable to small institutions, that may take their places.

Merit is often claimed for the bank of the U. S., because it has faithfully transferred the public funds, without loss to the government. The transfer, of the public funds, is known to be a source of profit to the bank, instead of a burden; and, the more distant the transfer, the greater the profit. The exchange is always in favour of the eastern cities, where the revenues are principally collected; and bills, drawn on those points, in the distant south, or west, to transfer the public funds, or for other purposes, are sold at a premium. At the same time, the bank has the use of an average public deposite of near nine millions, the employment of which, at five per cent., must yield about $450,000, per year. It would be bad management, indeed, which should so completely dissipate this profit, and all the means and stock of the bank, as to cause a loss to the government of any portion of its deposite. But the government has once lost as a stockholder, if never as a depositor. On the seven millions of stock subscribed, it long paid the bank an interest of five per cent., the subscription having been in five per cent. stocks of the United States; and, from January, 1819, to July, 1822, the bank either declared no dividend, or declared one less than five per cent.; so that the amount, paid to the bank, during that period, exceeded the amount received from it, about $822,500. The losses in the state banks, after the close of the war, were remarkably small, considering the amount, collected by the government, during that period; and the convulsion, produced by the arduous contest, in the business of the banks and the country. No inference can be justly drawn from them, favourable to the U. S. bank, which has encountered no such difficulties, or unfavourable to the state banks in their future course.

On the whole, the President thinks, the same advantages may be secured, to the government and community, from the employment of the state banks, as from a bank of the United States, without any of the dangers. He sees no serious difficulty, in transferring the public deposite, at an early period, from the one to the other; as the first step, in an attempt to dispense with a national bank. It is not the desire of the President, that the deposite should be drawn suddenly, so as to embarrass the operations of the bank of the U. S., or create any shock in its relations with its

debtors or the community. To make the desired change in as gentle a manner as possible, it may be expedient, not to require any actual transfer of funds from the bank of the U. S.; but to leave the money, now on deposite in that institution, to be drawn out gradually by the usual treasury warrants for the public service, and direct the future deposites to be made in the state banks. This plan seems to be recommended, by the double advantage, that it will give the state banks time to direct their plans of operations, before any call shall be made upon them, and leave to the bank of the U. S. no cause to complain of the harshness of the government. No just ground of hostility, to the state banks, will be left to it; and, if its affairs have been as well managed as has been represented, it will be under no necessity to make oppressive calls upon its debtors.

In the accomplishment of the object in view, there are some points which must be particularly regarded. The safety of the public deposites in the state banks employed, must be secured beyond a doubt.

They must undertake to remit to any part of the United States, and then pay in gold and silver, or their equivalent, such portion of the public moneys, received by them, as may be required, without expense to the government.

They must undertake to perform, if required, without compensation, any other duties or services, which the government may now lawfully require of the bank of the U. S.

They must agree, to make reports, of their business and condition, to the secretary of the treasury, at least once a month, and as much oftener as he may require.

They must agree, to subject themselves to a critical investigation, of their affairs, by the secretary of the treasury in person, or by any agent duly authorized by him.

They must agree, to pay any expenses which the government may incur, in making the new arrangement, or employing any agent, temporary or permanent, to look after that portion of the public interest, which may be intrusted to their care and management.

In fine, the government must be placed on a footing, both in relation to convenience and expense, at least as favourable to its interests, as that which now exists.

It will also be expected of the banks, which may be employed by the government, that they will facilitate *bona fide* domestic exchanges, for the interest of commerce and the convenience of

the people; grant reasonable facilities, to the payers of the public revenue, exercise the utmost liberality towards the other state banks; and do nothing unnecessarily to embarrass the bank of the U. S.

The great object being to rid the country of the dangerous, irresponsible power, necessarily concentrated in that bank, care must be taken, not to raise up another equally formidable. Perhaps such a result is impossible, by any organization of the state banks; as they are amenable to the state governments, on which they depend for their existence. But, to prevent even an apprehension, in the public mind, of such a result, it will be expedient, to interfere, with the banks employed, as little as possible; and to require, and exercise, no other or further control, over them, than is absolutely necessary to secure the public deposites, and insure a faithful performance of the duties incident to their transmission. If the banks selected shall, jointly, or any one of them separately, be detected, in using their power, to favour one man, or set of men and oppress another; to accomplish any political purpose whatever; it is the determination of the President, that they shall be no longer employed by the government, so far as he has power to prevent it. So far as the government is concerned, they must confine themselves to collecting, safely keeping, and faithfully paying, the public money, whenever and wherever required. It is the President's desire, wholly and forever, to separate the control of the currency from the political power of the country, and from every question which may hereafter be agitated, in the congress of the United States. And he deems it equally important, to take that control from an institution, which is not responsible to the states or the people, and has already attempted as it may again, to subject the government to its will. As fearful as would be the committing of a controlling power, over the currency, in the hands of the executive, it is not more so than the concentration in a bank, which aspires to direct the legislation of congress. To obviate both dangers, he wishes to see the action of the general government, on this subject, confined to the grant in the constitution, which only authorizes congress "to coin money and regulate the value thereof."

The President is sensible, that his own ease and comfort, as well as the quiet of his administration, would be promoted, by leaving to others the whole subject of the bank of the U. S. and the public deposites. But he deems it so important, to the pre-

sent and future interests of our country, to the purity of our government, and the liberties of the people; that he cannot permit any personal considerations to persuade him, to silence or inaction. Had he no other motive to impel him, he should find a sufficient one, in gratitude to the people, who, as he conceives, re-elected him, to the exalted situation he now holds, chiefly for the purpose of carrying into effect the principles of his veto message.

As the subject, of this letter, belongs principally to your department, the President has thought it proper, to communicate to you, in writing, the course of policy, appertaining to it, which he desires to have pursued; as well to enable you, thoroughly to understand it, as to take upon himself the responsibility of a course, which involves much private interest, and public considerations of the greatest magnitude.

[Signed.] ANDREW JACKSON.

Boston, June 26th, 1833.

CHAPTER III.

With these papers, the President sent to me, the opinions of four of the members of the cabinet, Messrs. M'Lane, Woodbury, Taney, and Barry. The following extract shows, what were the points, on which the President consulted the cabinet, in the spring of 1833; and what were the results of his own reflections:

"The President asks the opinion of the cabinet on the following points.

"1. Whether any thing has occurred, to lessen the force of the expression, at the commencement of the last session of congress, as to the safety of the U. S. bank, as far as regards the deposites?

"2. Whether the management of the bank has been such, that the government may rely on it as fiscal agent; and whether it has heretofore been a faithful agent?

"3. The propriety of acquiescing in the renewal of the U. S. bank charter, under any circumstances; if renewal should be acquiesced in, under modifications, what ought the modifications to be?

"4. The propriety of a new bank, under any circumstances, or with any modifications: if a new bank is proper, what ought the modifications and principles to be?

"5. What should be the system, for the future distribution of the public money—the plan of deposite, and mode of distribution? If the deposites should be withdrawn from U. S. bank, would it be necessary to receive the public dues in the notes of all the banks to be selected as substitutes?

"The President has given the result of his own reflection—

"1. That the charter ought not to be renewed, under any circumstances or on any conditions.

"2. That the ground, gained by the veto, ought to be firmly maintained; and no assent given to any bank out of the District of Columbia.

"3. That, if there should be a new bank, it ought to be in the District of Columbia: branches, with permission of the states, to be established, upon the application of the bank for the purpose, under such restrictions as they should impose: government

to have the right to appoint a president and as many of the directors of principal bank and branches, as to secure fidelity, and a knowledge of its transactions by proper officers of government: congress to have the right to repeal and modify the charter from time to time, as security against corruption, &c.

"4. Such an institution not to be recommended, until after a full and fair experiment, to carry on fiscal affairs, without a national bank of any description.

"5. Will it be now necessary to devise and settle any system for deposite and distribution of funds through state banks, to go into operation, when thought advisable."

This extract, or outline, was taken, I believe, from the opinion of Mr. M'Lane, which covered ninety-one pages. I have not a copy of it; but, if I had, I should not, perhaps, be justified in giving it publicity. Of the opinions of the other members of the cabinet, I have copies, or full extracts. They briefly answer questions, and have scarcely any exposition of facts, arguments, or elucidations.

Before I received the *views* of the executive or the *opinions* of the ministers, I had felt embarrassment, not only in relation to the general subject, but on constitutional points. I was, especially, in doubt, as to the view, which the President might have taken, of the 16th section of the Act, chartering the U. S. bank, which gave to the secretary of the treasury the power to remove the deposites. When, however, I read the concluding passage, of his letter from Boston, my anxiety was, in a great measure, if not altogether, removed. If he meant any thing, I concluded, that the President concurred in the view, of the 16th section of the charter, which I was disposed to take; namely, that, in passing it, congress had exercised its constitutional right, to regulate the conduct of the head of the treasury department, in relation to the care and custody of the public treasure. I supposed, that he admitted, that the secretary of the treasury, representing the constitutional guardians of the public purse, had an exclusive right, under their control, to remove or not to remove, the public deposites; and that he now pledged himself, not to interfere, beyond the expression of his own views, or the use of arguments, to influence mine. Reflecting, however, upon the means, that might be employed, to induce him to disregard this pledge; I considered it my duty, to comply strictly with his injunction, that I should express to him my sentiments frankly and fully; and I accordingly wrote to him the following letter:

Treasury Department, July 10, 1833.

To the PRESIDENT OF THE UNITED STATES.

SIR,

I. On the first of the present month, the undersigned had the honour to receive the letter, which the President addressed to him, from Boston, on the 26th ultimo, transmitting a detailed statement of his views "upon the subject of a discontinuance of the government deposites in the bank of the U. S., and the substitution of certain state banks, as the fiscal agents of the United States, so far as those duties are now performed by that institution."

If, when, early in December last, the desire of the President, that the undersigned should assume the station, which he now holds, was communicated to him, it had been intimated, that a cessation to deposite the public moneys in the bank of the U. S., without any legislation upon the subject, was to constitute a part of the executive policy, and that the undersigned would be called upon to carry the measure into effect upon his own responsibility, it would have been in his power to consider, whether he ought to enter into office or not; and he would not have been compelled, as he now is, either to incur the censure of congress, or to commence his service by acting in opposition to the President's wishes. But, as no intimation of any kind was given, and as the undersigned was thus to come into office, in a manner as honourable to the President's liberality, as it was flattering to his own pride, he accepted the proffered honour, but still not without reluctance, resolved to perform his duty so faithfully as to merit public confidence, justify the President's choice, and preserve that invaluable treasure, his own self-respect.

If, when, on the 30th of January last, the undersigned consented to serve, and before he had entered on the duties of his station, he had known that a change of the depository of the public money, notwithstanding the decision of the house of representatives, was a part of the President's policy, and very anxiously discussed in the cabinet, it would still have been his pleasure, as well as duty, to consider the questions involved, carefully. But, although late in the month of March, the President intimated, that he was agitating the subject himself, the undersigned had no conception, that it was with a view to any proceeding, prior to the meeting of the new congress.

It was not, indeed, until the evening of the day, or of the day after, the undersigned entered into office, that he was informed,

that a change, of the depository of the public money, had been the subject of cabinet discussion, and that upon the undersigned would rest the responsibility.*

It will not surprise the President, therefore, to learn the sentiments of the undersigned now for the first time; nor that he may fail to present such an exposition of his views, as under different circumstances, he would at least have attempted to prepare. Subsequently to the 1st of June, the President was so good as to say, that he would send to the undersigned, the opinions of the members of his cabinet, with his own views, to be deliberately reflected upon, with a view to a frank declaration of the opinions of the undersigned to the President, on his return from his eastern tour. Those documents were received on the 1st instant, and the President returned on the 4th; so that the brevity of the interval, and other circumstances interfering, will, he trusts, be regarded as adequate apologies for imperfection. While, however, he regrets the imperfection, he is consoled with the knowledge, that he is but a gleaner in the field of inquiry, after officers, superior to the undersigned in all the advantages of experience, and with whom he will not assert an equality, except in purity of purpose, and in regard for the chief magistrate, who has made him their associate.

II. In the conclusion of the President's letter, he has the goodness to say, that, while he frankly avows his own opinions and feelings, he does not intend to interfere with the independent exercise of the discretion, committed to the undersigned by law, over the subject; and that the undersigned may adopt, on the President's responsibility, the sentiments expressed by him, in his letter, as the basis in part of his own decision. The undersigned, therefore, concludes, that he has not received the direction of the chief magistrate, to perform an act of executive duty; but that the President believes, that congress had a right to direct, and hold responsible, an executive agent. And, accordingly, without expressing a doubt on that point, that might be thought presumptuous, the undersigned will decide on his responsibility to congress, and that decision shall be the same, as if he had

* Here followed the passage, which I struck out, at the interview of the 15th July, hereinafter described, (page 57.) The words, that I erased, were these,

"This information was communicated by Mr. R. M. Whitney, who called to speak to the undersigned on the subject; and who was listened to, attentively, as well in consideration of the importance of the communication, as of the respect due to an individual apparently in the President's confidence."

received an executive order. This, however, will not, for a moment, be regarded by the President as indicative of the least abbreviation of the respect and attachment, which, on many accounts, he entertains for the President. The expression is used, in order to evince the perfect sincerity of the undersigned in the matter referred to him; it is used, in order to make known to the President, that, however grateful to him the undersigned may be, and however unwilling to incur the risk of separating from him so soon, a separation so likely to expose the undersigned to the shafts of envy or of malice, if such exist, such considerations are overcome by a sense of the high duties imposed on him as a public agent.

It is not more consistent with the principles of the undersigned, to pay a homage to the President, than it would be the desire of the President to receive it; but since it is so soon his fate to differ in opinion from the President, the undersigned boldly says, that no one could have been called to the station, now filled by him, who could have had a more anxious desire than the undersigned had, to render the evening of the President's life as tranquil, as its noon had been glorious. It is very painful to him, therefore, to be obliged to decline to adopt the course described in the President's letter. He has the consolation, however, that the very opposition establishes a claim to the President's respect, and is a sure guarantee of sincerity.

Trusting, therefore, to that magnanimity, on the part of the President, which is inseparable from the purity of his own intentions, the undersigned will frankly state some of the reasons, that have drawn him to the conclusion, at which he has arrived. In doing so, he will present the results of brief, but anxious, reflection, and incidentally such observations, as a perusal of the President's letter demands.

III. With regard to the bank of the U. S., even if the undersigned did not consider it unauthorized by the constitution, he avows his deliberate and unbiassed belief, that the renewal of its charter would be inconsistent, with the duration of the happiness and liberties of the people. These sentiments are not formed as a potter moulds his clay, to suit the fashion of the times, or the order of a customer; they are not the sentiments of a man, who has a latent grief to assuage, or an injury to avenge; they are the opinions of an individual, who, although bowing to the law, as every good citizen should do, and respecting the opinions of others, has never omitted a fair occasion to utter his

dispassionate belief, in opposition not only to the present, and to the former bank of the U. S., but to all such monopolies.

Without any desire, therefore, to arraign uncharitably the motives of others, the undersigned is satisfied, that many of the acts of the bank, that are complained of, do but justify his uniform apprehension of such institutions. He conceives that the bank has forfeited all claims to favour, and that, if chartered, with such a weight of complaint against it, the charter might almost as well be perpetual as limited.

But, while these are the sentiments he entertains, and while as an individual he might, in every fair way, utter and publish, in language becoming a freeman, his strong remonstrances and upraidings at the three per cent. transaction, and others; he does not consider it proper, as a public officer, to pursue any other than an open, decided, and authorized course. He is persuaded that vindictive justice is so much at variance with the best feelings of the human heart, that a resort to a measure of that kind, would, by the repugnance that it would create, tend to merge the more essential consideration of the future destinies of the country.

At present the bank stands, if not convicted, arraigned before the country. It has put itself in the wrong, and the stockholders have not manifested an inclination even to inquire into the causes of complaint against the directors. Public opinion is unfavourable to the continuance of the institution. It is obviously the conviction of dispassionate men, that no modification can control an institution, that has the elements of evil in its composition and existence. The dictates of prudence and policy, therefore, demand, that nothing should be done against the bank, that might altogether conceal justice under the veil of sympathy.

The main question was put to the people by the President, and left to them, in such terms, and in such forms, as to absolve him from all accountability. In this, as in other instances, posterity will do justice to the purity of his purposes, and the vigour of his acts. And there is no occasion, either for the present or the future, to adopt a course different from the open and manly one heretofore pursued. It is not requisite, in order to prevent a renewal of legal life, to resort to measures, that might be regarded as extreme, if not utterly needless.

IV. The undersigned is persuaded, that the measure would be regarded as extreme and arbitrary, for these reasons:

1. The charter is the law of the land; it is a contract, that cannot be dissolved, or altered, without mutual consent, or forfeited without inquiry. The public deposites are a benefit to the bank, for which it has paid a consideration, and their continuance is a part of the contract.

Has the undersigned a right to rescind this contract? It is certainly true, that he has the power to change the depository, but he is bound to give his reasons. What reasons can the undersigned give? He must not rely on the reasons of others, unless he adopts them as his own; he must be satisfied, that the measure is sound in itself and defensible.

If, indeed, there were not other tribunals, before which acts involving forfeiture might be inquired into, and acts involving forfeiture were apparent, there might be some apology for an exercise of extraordinary power by an individual. But if there has been such misconduct in the corporation, as warrants a forfeiture of its charter; or if there have been such acts done by the directors or officers, as bring them within the penalties of the act of incorporation; what reasons can be given, for visiting the sins of the officers upon the stockholders, without a trial by jury, or other judicial proceeding? How could the undersigned justify himself before congress, even if his opinions were sound, in declining a judicial inquiry, and in condemning the accused unheard?

If the President is satisfied, that there has been misconduct, such as would warrant punishment by judicial agency, why has it not been, why may it not yet be, resorted to? But if no such step has been taken, or can be sustained, how can the undersigned justify the assumption of the powers of jury, judge, and executioner? Is he to punish unheard, at his own pleasure, and without being able to assign to congress reasons for such an arbitrary act? Is it consistent with the principles of justice, or the genius of our institutions, that any man should be able to constitute himself a dictator, in matters affecting the character of the country, the welfare of the people, and the fame of men, who are entitled at least to the rights of felons?

The undersigned has been, like other men, under excitement, in relation to the bank of the U. S., and upon public grounds has been desirous to see its existence closed; yet he would not, under excitement, exercise such a power as is now conferred upon him; much less will he, now in a high station, and under the guidance of deliberate reason, do any act, that has not the

stamp of manliness upon its front. He does not think that the end justifies the means, or that there is any distinction between moral and political integrity. No doubt, the President believes the proceeding, under consideration, to be fair, manly, and sound. The undersigned has learned not to say dogmatically, that he is right, and that another is wrong. It is sufficient for him, that, while he sincerely respects the sentiments of the President, the undersigned cannot at his pleasure change his own convictions, or present to congress reasons for an act, that he believes to be arbitrary and needless.

It is true, that congress gave to the undersigned the right to use this arbitrary power; but for what purposes? Surely not to enable him to usurp executive or judicial authority. It is the right of the President to arraign, and the right of the judiciary to try, the bank. Upon what pretext can the undersigned wrest these powers from the legitimate organs? Or can it be fancied, that congress transferred to the undersigned, powers not possessed by themselves? What, then, is the fair conclusion, in the absence of all explanation, as to the motives of congress? Surely, that dictatorial power was conferred on the secretary of the treasury, for occasions demanding sudden and extreme action; or as a salutary check upon the bank; or a mean to promote the conclusion of its affairs. It never could have been conferred to enable an individual, whose appointment has not yet been confirmed by the constitutional advisers of the President, to execute vindictive justice.

Is there, then, any cause for sudden and extreme action? The undersigned admits, that the views in the President's letter, are very striking. They must, when presented to the people, or their representatives, have a powerful influence upon the question of the renewal of the charter; but he does not believe that they warrant the undersigned in resorting to the proposed measure. It must be a very strong case, indeed, that would justify the nullification of a contract, made by all the departments of government.

2. The measure would be considered extreme and arbitrary, because the last congress acted upon complaints against the bank, and because the next congress may follow the example of the last. It cannot be pretended, that, the last congress doubted the ability of the bank to meet its engagements. The house of representatives, by a vote 109 to 46, decided that the bank was a safe place of deposite; and one of the last acts of con-

gress authorized the secretary of the treasury to lend a million of dollars to the bank without security. What has since occurred, that should warrant the undersigned, in treating these evidences of confidence with contempt? What reasons could the undersigned give for reversing the judgment of those, of whom he is the mere agent? What has occurred, since the last session of congress, to change the ground then held? If any thing occurred, prior to the entry of the undersigned into office on the first of June, why was not his predecessor called upon to act? And if nothing occurred prior to that time, what has since happened, that could justify the undersigned, who has not yet become acquainted with his duties, or been above forty days in office, in exerting powers, affecting not merely the bank, but the whole community? Is he to take it for granted that the last house of representatives was ignorant or corrupt? Or is he to conclude that there has been fraud or mismanagement on the part of the bank? He does not pretend, that an adequate investigation was made by the last house of representatives, but that house decided on the evidence produced. It was not competent for any agent to furnish adequate proofs. The minority of the committee of investigation declare, that a full and protracted inquiry by congress is necessary to the development of truth; and yet it is expected that the undersigned shall either have faculties superior to those of congress, or hardihood that disregards their censure. It is supposed, that although a body, with power to send for persons and papers, were unable to come to a decision unfavourable to the bank, or even to express a disbelief of its safety; the undersigned, without any such inquiry or power to inquire, is first to do what congress would not do, and then refer to the reasons of the President as a justification. Such a reference would not, and ought not to, answer as a defence. The undersigned is thrown on his own reasons; and if he acts, and has none, he must stand in a posture before the world, not more honourable to the President than grateful to himself. It would, in these malevolent times, be said, that the President had purchased the conscience of the undersigned, and that the undersigned had basely sold for office, the only inheritance that he may have to leave to his children, the unblemished integrity of their father.

If it does not become the undersigned to treat with disrespect the decision of the last congress, why should he refuse to await the interference of the next? Any proceeding now, especially in

the absence of adequate reasons, would seem to arise from an apprehension, that the representatives of the people are incompetent or corruptible; and that the people themselves are incapable of preserving the institutions of their country, in the event of a general depravity of their agents. The undersigned is not willing, by any act on his part, to give sanction to heresies, as groundless in themselves, as they are pernicious in their tendencies. He would despair of all that is calculated to cheer and exalt mankind, if he could fancy that his act, or the act of any man, even if endowed with intellect, or crowned with glory, were essentially necessary to save the people from themselves. He cannot have the arrogance to think, or to give colour of conjecture that he thinks, that he can save the republic, or that without him it would be lost. It is his duty, on the contrary, to follow the President's own example, who, instead of proceeding, as he might have done, by *scire facias*, against the bank, waited until the representatives of the people assembled, and submitted his complaint to them. In the absence of peril, the undersigned, does not consider it his duty to forestal the opinion of congress. If there is just ground for complaint, it is consistent with our love of our institutions, and our jealousy of their purity, to believe that an inquiry, if made, will be fairly conducted; and that the representatives of the people will act, in consonance with their duty to Heaven, their country, and themselves.

But if, contrary to the lessons of experience, the representatives of the people, should be faithless, the bare suggestion of which the undersigned regrets to utter, the people have the inclination as well as the power to change them, and to annul any act, that may have been the progeny of fraud or corruption. Have they not the inclination, as well as the power? If not, then the boasted excellence of our institutions must be a phantom. But, if it is a substance and not a shadow, as the undersigned thinks it is, it does not become him at least to decide upon a supposed imperfection, and substitute means, justifiable only in an insurrection or a siege.

With great deference, therefore, for the President's opinions, the undersigned concludes, that it would be arbitrary and needless to adopt the proposed measure at this time.

V. But, suppose, that the undersigned had reasons, to submit to congress, to show, that the measure was not arbitrary or needless, ought the substitutes for the present fiscal depository

to be accepted? The undersigned respectfully conceives, that he has no authority, and that it would be unwise, to adopt the scheme proposed. Undoubtedly, if the undersigned were to cease to deposite the public money in the bank of the U. S., it would be his duty to direct its deposite to the credit of the treasurer, in some safe place. But, at the threshold he is met with the question, what would be a safe place? Does it become him to judge of the solidity of an institution by heresay? But, even if he chose to take that responsibility, has he any right to go further? The plan suggested by the President proposes a contract with divers banks, according to which certain service is to be rendered by one party, for the privilege of trading upon the money of the other. Has the undersigned authority to create a sort of charter? Has he a right, in any way, or for any time, to bind the United States? Have the local banks any right to bind themselves? If they have, what is the security, and who is the judge of it? Has the undersigned a right to contract, that certain banks may contract with other banks unknown to him? Has the undersigned any right, or is it discreet to leave to any agent the right, to decide, in the course of two months, upon the condition of all the banks, that may be necessary for the operations of government? If there is no law, granting powers needful in doubtful cases, can the undersigned discreetly take them on his own responsibility? Can it be, for one moment, fancied, that, beside the summary power to take away, the legislative power to authorize a disposition of the public money, was conferred upon the undersigned? Is it to be believed, that a section of a charter, obviously meant for extreme cases only, authorized the undersigned, in the absence of any necessity, to take the public money from a bank, over which there is a control, and distribute it amongst institutions, over which no control exists? The 16th section of the U. S. bank charter directs, that the public money shall be deposited in that institution, unless the secretary of the treasury shall direct otherwise; but so jealous were congress of the power, to withhold, thus conferred, that the secretary is enjoined to give reasons *immediately* to them; obviously showing, that congress considered themselves alone competent to judge of the *necessity* of a removal from one agent, and the *propriety* of the substitute. So that the undersigned deems it proper to use extreme caution on ground untrodden.

The undersigned is indeed aware, that certain local banks are now, from a supposed necessity, used as fiscal agents; and that several of his predecessors, as an act of ministerial duty or supposed necessity, at various times, and under various circumstances, made arrangements with state banks (the particulars of which he cannot now ascertain, owing to the destruction of the treasury office); but he also knows, that under those arrangements, the country lost between one and two millions of dollars, while of upwards of four hundred millions, from time to time in the custody of the U. S. bank, not one cent has been lost. The undersigned does not use this as an argument in favour of a renewal of the charter, to which he is opposed, but he states the facts, to show, that he ought to have very strong reasons, indeed, to present to congress, for exchanging a certainty for an uncertainty. He repeats, an uncertainty; for if one of his predecessors was justified in saying, in 1814, that "the multiplication of banks, in the several states, has so increased the paper currency, that it would be difficult to calculate its amount, and still more difficult to ascertain its value," how much more doubt should the undersigned entertain at the present day?

Besides, the undersigned pleads the authority of the President himself, in the letter now under consideration, as ground for hesitation. The President does not pretend, that the proposed scheme will answer; he barely says he thinks it will. No doubt, he thinks so, and possibly in some measure upon premises presented by local institutions. But even upon such representations the President does not rely; for he does not suggest a plan for actual or continued operation, but merely as an experiment. Has the undersigned the right to make experiments upon such important matters? Did congress, in allowing him to retain out of bank the public money, confer on him legislative and executive power united? As already alluded to, the anxious care, that at once the undersigned should report to congress, after resolving to retain the money out of bank, shows that it was not meant that the undersigned should make experiments. As it is clear, therefore, on the President's own view, that he is in doubt as to a substitute; that he is prepared for a test only; and as the power of the undersigned will end on his report to congress; can it surprise the President, that the undersigned is in doubt also? If an experiment must be made, is it not courteous to those, of whom the President considers the undersigned in this case the agent, to await their instruction? Have not the constitutional

holders of the public purse, the only means, that can be safely used for making such trials?

But if congress should not interrupt an experiment, and the experiment should fail, as the undersigned thinks it would, is he then to make another? Will not a failure of any precipitate, undigested, and unsanctioned scheme, give vigour to the claim of the U. S. bank for a renewal of its charter? Will it not be urged, that the inadequacy of the President's own project proved the necessity of retaining an organ, that, for fiscal purposes, had such obvious advantages over local banks? The President, besides, seems to think, that time will be necessary to test the project, and desirous that the trial may be made, so as to meet the dissolution of the U. S. bank. This rests on the presumption, that congress will not interfere; whereas the undersigned believes, that the operations will have scarcely been commenced, ere the apparatus will be demolished; an occurrence, which, for the sake of the President as well as himself, the undersigned desires not to witness.

Then, is it likely that banks of any solidity will embark in such a project, when they know that it may, and probably will, be arrested by congress? Is there the least reason to suppose, that banks of good standing will guarantee the acts of banks in remote parts of the Union? Would the undersigned be prudent in allying the country with banks willing to make such a common cause? So great were the difficulties of the Bank of Pennsylvania, and so great were the losses, arising out of transactions with distant banks, after the dissolution of the old bank of the U. S., that it declined to be accountable to the Union for the public money placed in those banks. Does not the President see, that, however selfish the U. S. bank may be, the local banks have not more extended principles of action? Will not the anxiety to make money, the ignorance, or the imprudence of, particularly remote, local banks, tempt them so to extend their loans, and trade upon the public money, that when that money shall be called for, they may either fail to pay it, or ruin their debtors by demanding its return? Upon whom would reproach, in such events, be cast? Not on the banks, but on the secretary of the treasury, as an oppressive, perhaps a party, measure. It is manifest that the welfare of the people demands, that, instead of being a partner of either, they should be independent of both United States and local banks.

VI. If the President knew, certainly, that the U. S. bank charter would not be extended, would he advise a change of the depository of the public money? Would he urge the undersigned to execute articles of co-partnership between the good people of the United States and divers banking companies, that may be very well conducted; but whose solvency materially depends on the solvency of each other, and the solvency of the whole upon events beyond the control of any or of all? As the corporators, who have so long enjoyed a profitable part of the sovereign power, who have had the opportunity to amass fortune, and who have not been free from abuses to which monopolies are liable, are soon to cease in their operations; does it not become the duty of the representatives of the people, whose lives, liberties, and happiness are more or less affected by those institutions, to consider, whether the fiscal operations of the government may not be conducted without such agency? Could the inquiry be made at a more propitious time? Is it wise to make entangling alliances either with an institution not authorized by the constitution of the United States, or with loose corporations, which interfere with, derange, depreciate, and banish the only currency known to the constitution, that of gold and silver? Is it not inconsistent with the dignity of the government, to be obliged to grant favours or exclusive privileges to particular descriptions of persons, that would not be otherwise granted, merely to secure a free and safe receipt and disbursement of the public income and expenditure? Is it consistent, with the public spirit and intelligence of the representatives of the people, to suppose, that they cannot devise a method to escape such thraldom? But, if, in the wisdom of congress, no such mode can be found, as will enable the government to conduct its fiscal operations without the aid of a bank; then it is respectfully suggested, whether some constitutional provision should not be made, to insure all the good, with as little as possible of the evil, of a bank.

Although the undersigned limits the inquiry to the mere want of the government, it is not because he thinks this the only question worthy of consideration. On the contrary, an inquiry into the state of the entire currency, if not now demanded, must soon be required. But it is not to the agents of banks, that resort may be safely had, in inquiries of this nature. Good and useful as those agents may be, and no doubt are, in all the private relations of life, they are not so free from bias, as voluntarily to

develope the nature and results of their own operations. The laboratory of the people is preferable, their representatives the manipulators.

The inquiry, that must, at last, be made, and for which preparation may be necessary, is not, which, of two descriptions of monopolies, alike at variance with the sovereign attributes of the United States, and the general good of the people, is the least pernicious; but how their abuses, and the consequences of those abuses, may be gradually corrected and averted. Such a scrutiny would be worthy of the wisdom of congress. It might be so conducted as not to affect injuriously, by its results, any interest; and an opportunity might be presented to the Union, and the states, gradually to limit, or remove, institutions, which, whilst they have some uses, are yet so partial in their operations, and so liable to be perverted, as to affect seriously the morals, impair the earnings, and endanger the liberties of the people.

Those institutions are now so powerful, and have such a common interest; men in companies are so prone to do, what as individuals they would scarcely think of, that any change affecting them will be stoutly resisted. Can they be resisted at all, if their power shall have no check ere long? Or is the evil only to be remedied, by one of those convulsions, in which, as in war, the ruin usually falls on those, who ought to escape?

But if there is any illusion, in this suggestion, of a general inquiry, at least there can be none in the particular or preliminary inquiry first suggested. The fiscal operations of the government should be safely, steadily, and speedily conducted. How shall they be so conducted? what shall be the machinery? who the agents? the undersigned, in the voice of experience, cannot err in saying, that local banks are not the best.

VII. Supposing, that in adopting the proposed measure, the faith of the country would not be violated; that contempt to the last, and the next, congress would not be evinced; that the power, to contract with state banks, exists; and that it would not be unwise to make the contract; still the question presents itself, what would be the effect upon society? Would the operations of the government, or of the commercial world, be facilitated? Would confidence between man and man be promoted? Would the facility to stand a shock, in the event of a war in Europe, for instance, be given to the local banks?

These questions, and others of an analogous character, need not be discussed by the undersigned; for, his predecessor, on all

accounts so much more competent to advise the President than he is, has placed this part of the subject especially, in a point of view, that cannot, he respectfully thinks, be overlooked by a chief magistrate, so anxious as the President has proved himself to be, to protect the mass of the community from embarrassment. From want of experience or information, the undersigned may not anticipate evil so extensive as that apprehended by his predecessor; but his fears are still so strong, that he is quite unwilling to be the one, who is to put the match to a train, the end of which he has not the sagacity to discern.

Even, if he doubted, whether the U. S. bank could meet every demand of government, as made upon it, he would hesitate, whether it would not be his duty to forbear, rather than to increase the evil, by abridging the power of the bank to surmount its difficulties. So that in the absence of all doubt of the kind, the undersigned would be at a loss for an excuse, were he to produce, by an act on his part, the very mischief that is apprehended. Credit, like female fame, is of such a peculiar nature, that its blossoms may be blighted even by the breath of inquiry; what then, might not be the consequence of the blast of the indignation of government against an agent, in whose interest it was itself so deeply concerned? Much more trivial changes, than that proposed by the President, have produced great commercial convulsions. Such a measure, as is urged, would be regarded by the bank, so decidedly hostile, as to afford it an excuse to shake the fabric of credit, for the purpose of throwing odium on the government, and producing a persuasion, that in the extension of the charter would be found the only remedy for the mischief. That it would not hesitate to do so, the President believes—that it ought not to have an excuse for doing so, the undersigned is certain.

It is, indeed, mentioned, in the letter of the President, that the U. S. bank will not be able to effect any such purpose. But the undersigned is not satisfied, that an institution with so large a capital, with branches at so many important points, acting with one accord, and for a single end, with specie equal to half its circulation, has it not in its power to affect the operations of local banks, with specie equal to about a sixth of their circulation only. If the bank is really so harmless, as this part of the President's letter supposes, then the alarm, that the undersigned has at all times entertained, at the existence of such a power, is unfounded; and one of the most serious objections to the re-

newal of the charter is obviated. But the undersigned is not able to arrive at such a conclusion; he is convinced, that it is in the power of the U. S. bank, so organized and so secured, grievously to affect the local banks and the community; the undersigned thinks that the trial ought not to be made.

Beyond doubt, the power of the U. S. bank to control the local banks, and, through them, masses of the people, and through those masses, some of the constituted authorities of the country, is of such a character and tendency, as to excite alarm. But the very existence of such a power teaches extreme caution; such an adversary should gain no advantage from an abortive experiment to limit its influence.

The struggle to be made, is not to see, which can do the other the most harm, the government or the bank. The government has but one duty to execute, to inform the people and their representatives of the apprehended danger. It is not called upon to maim the bank, lest the bank should master the country. In any attempt to maim, the agents of the bank would be those most likely to escape. The wound would be felt in the cottage of the farmer, rather than in the palace of the banker.

On the other hand, if the suggestion of the President is sound, that the U. S. bank dare not operate oppressively, because the state banks, having government deposites, might run upon the branches, then there is a check at all times, in the hands of the government; and the bank, during its legal existence, will be careful not to do or omit, what might warrant a total removal of the deposites.

So that the U. S. bank is represented, by some of the local banks, as an engine so powerful as to be an object of universal alarm; and, the next moment, so utterly feeble, that by the simple operation of a treasury order, the entire branches may be broken up one after the other, and the paper flung upon them in masses, which they will not be prepared to redeem? Which of these is the true picture? If a treasury order has such talismanic influence, can there be a better pledge for the safety of the public deposites? But if it has no such power, is it discreet to commence the war? In all such calculations, as those referred to, the flinging back masses of bank paper, and breaking up the branches, are items, that seem to have caused no compassion for the ultimate sufferers. It appears to have been forgotten, that a large portion of the good and pure people of the

land would be ruined—and why ruined? because the government of their country had put the power to ruin them into the hands of corporations, intent alone upon their own aggrandizement! Whether it is wise to make such experiments, the undersigned, with confidence, respectfully submits.

He submits, with confidence, because he knows the purity of the President's purposes, and that he will not press for a measure, to say the least of it, of doubtful and portentous character. He is not at all surprised, that excitement should exist; it was almost unavoidable on the part of those, who are pure themselves, and who sincerely believe that they see impurity in others; its existence is even honourable to those, who, to avert a catastrophe really apprehended, are content to incur some risk on their own part. No one can imagine, that the President can have had, or can now have, any other than the purest intentions; his apprehensions are sincere, not factitious; but, still, the apprehensions, that are entertained, warrant those measures only, which will bear the cool examination of the future historian, rather than the test of contemporary feeling. It is of such measures as are now proposed, that history will be the record. It will be to the adoption or rejection of them, that public men, in after times, will look for examples. It is all important, therefore, that the most exalted ground should be taken, when about to direct movements, that will be compared with the past, that will affect the present, and be an enduring guide in future.

The President, indeed, seems to think, that he is but obeying the will of the people; he believes that his veto message became the deciding as well as dividing point at elections. But the undersigned is unable to concur with him, that his election was the result of a contest on that point. In many parts of the Union, the bank question formed no part of the materials of dispute; in others, many friends of the bank voted for the President; and every where, thousands voted, for the same reasons, that had induced them to call him from his farm—they knew his services to be glorious, and his patriotism to be greater still.

But, if it is true, that, when the President said he left the question to the people, they really took it up, then the undersigned respectfully asks, whether it was ever supposed, that the secretary of the treasury was to be their champion? Was it not rather the design of the President, that the people should send to congress agents, who would be true to their trusts? Surely

this is the constitutional and the patriotic course; and if it shall not answer, then the undersigned thinks that the days of the republic are counted. But, he does not so think, neither will the President so think, if he shall reflect upon the career of his country; on the contrary, the undersigned is persuaded, that, as the sun of the President's eventful life shall be setting, he will see his country in the full enjoyment of all the liberty and happiness, which he has done so much to transmit unimpaired to posterity.

VIII. It may perhaps, be asked, whether the power, conferred, by the U. S. bank charter, upon the secretary of the treasury, is to remain a dead letter upon the statute book? In the first place, it may be replied, that, if it should so remain, it may be honourable to the country as well as beneficial; for it will appear, that arbitrary principles are not resorted to, whatever may be the force of extraneous excitement—it will appear, that the power, given, was not exercised as a substitute for the constitutional prerogatives of the legislature or judiciary. In the next place, it by no means follows, that, because the undersigned is unwilling to enter into an alliance with divers banks, that have interests adverse to each other, and no common interest but to make all the money they can out of the treasure of the country, he is to be perfectly passive, in all other respects. It is the opinion of the undersigned, that the public deposites will not constitue such a fund, as to warrant extensive operations on the part of any bank. If the revenue of the present year shall meet the demands upon the treasury, it does not seem to be probable, that the surplus will be considerable. It is the present policy of the constituted authorities to keep down the income to the wants of the government. The results of legislative proceedings, of late adopted, cannot be very clearly anticipated. So that, it will behoove the U. S. bank to regulate its operations accordingly. But, it will be the duty of the bank, whatever may be the amount of deposites, to reduce gradually the circle of its business, in order to avoid the pressure, upon the community, arising from a sudden suspension—a pressure injurious to the bank, as well as to the public and the government. And the undersigned thinks, that the country, as the proprietor of one-fifth of the capital, and upon general principles also, has a right to call on the bank, so gradually to abridge its business.

If the bank should not do, what any prudent private banker, in the certain assurance of an early death, or any incorporated

local bank, destined to close its business, would do; then, it will be the duty of the undersigned to consider, in what way he may so exercise the power vested in him, as to cause a reduction of its business. The welfare of the country, the convenience of the government, and the interests of the bank itself, demand, that all concerned should so co-operate, as to prevent any of those evils, which flow from changes in the character or amount of a circulating medium. It may, besides, be in the power of the undersigned, without any risk of censure, to resort to means, that would be productive of benefit to all concerned, or at least not prejudicial to any.

Whatever may be deemed best, should be done cautiously, gradually, and with a due regard to the rights and interests of the weak as well as the strong.

IX. The undersigned might proceed, in a more extended discussion of the subject, under consideration, if such were necessary. He has tried to shun the paths, already beaten by those, whose opinions the President has availed himself of. He has indeed consulted his own heart and head as his arbiters. He has appealed to the aid of common sense, as well as of official intelligence, and will here close his remarks. Nothing but a profound conviction, of being in the right, could have induced the undersigned, to take his first step in opposition to what is so obviously the President's sincere desire. The undersigned has too great a respect for the judgment of the President, and too little confidence in his own, dogmatically to say, that the President is mistaken, and that the undersigned cannot be so. Happily, if the proposed measure really is essential to any great or good end, it is not in the power of any man, much less of the undersigned, to set himself up successfully against a chief magistrate, to whom the country owes so much. Far from seeking such a celebrity, the undersigned is prepared to make any personal sacrifice, except an acquiescence in a measure, that he positively believes to be at variance with his obligations to the country, the President, and himself.

In any event, no change can be made in those sentiments of sincere respect and attachment, which will ever be entertained for the President, by his obedient servant,

W. J. Duane.

CHAPTER IV.

On the 12th of July, I personally delivered the above letter to the President; and, on the same day, received the following note; to which I returned the subjoined acknowledgment:

The President presents his respects to the secretary of the treasury: acknowledges the receipt of his communication of the 10th inst., dissenting from the views which have been expressed by the President, upon the subject of discontinuing the deposites of the funds of the government in the bank of the U. S.

The President understands the secretary of the treasury to concur with him, as to the impropriety of renewing the charter of the present bank, and in the consequent necessity of providing some substitute for the performance of the duties, now discharged for the government by that institution; but he appears to be of opinion, that the creation of that substitute should be left to congress, and that the employment of state banks for that purpose, either by the secretary of the treasury or by congress, would be inexpedient; but does not state, what substitute he would advise the President to recommend to congress.

Waiving for the present the consideration, as to the power of congress to act effectively in the matter, until after either a previous discontinuance of the deposites in the bank of the U. S., by order of the secretary of the treasury, or the actual expiration of the charter; the President thinks an exhibition of the substitute, which the secretary of the treasury would deem preferable, to that suggested by the President, that which he might, if he should find himself able to concur with the secretary in respect to it, recommend to congress, necessary to a full consideration of the whole subject. The President, therefore, respectfully asks the secretary of the treasury to furnish him with his views upon that point, and to do him the favour to call on him on Monday morning, to converse further upon the matter.

The President will thank the secretary of the treasury to send him the reports of the U. S. bank of the 1st of June and 1st of July.

July 12, 1833.

Treasury Department, July 12, 1833.

To the PRESIDENT OF THE UNITED STATES.

SIR.—I have had the honour to receive your note, of this date, and, agreeably to your desire, send to you, herewith, the reports of the U. S. bank of the 1st of June and 1st of July.

It will be my duty and inclination, anxiously to reflect upon the suggestion, which you have made, in relation to a substitute for the

present public depository, and to wait upon you, as desired, on Monday next.

With the utmost respect, I have the honour to be

your obedient servant,

W. J. DUANE.

Agreeably to appointment, I waited on the President, on the 15th of July. He commenced the conversation, by saying, that he had read my letter of the 10th of July, (then lying on the table before him) and feared we did not understand each other. "My object, sir, (said he) is to save the country, and it will be lost, if we permit the bank to exist. We must prepare a substitute, or our friends in congress will not know what to do. I do justice to your motives, but some parts of your letter gave me uneasiness. One part only I will mention, that referring to Mr. Whitney. I am sorry you put that in, for he is not in my confidence. He is an abused man, sir, and has much information, of which Mr. Polk and I have availed ourselves—but he cannot be called my confidant. I was sorry to see his name introduced, and don't see that your argument needed it." I replied, that I had been accustomed to write freely, and without disguise: that, in the present instance, I had barely stated facts: that I had been unused to official correspondence: that, I confessed, I had been mortified at the approaches of Mr. Whitney; and, when I felt strongly, wrote so: that I meant no disrespect to the President, however; and, as its omission would not affect the rest of my letter, I would at once strike out the passage relating to Mr. Whitney. Suiting the action to the word, I took up a pen and struck out two or three lines.* "Now (said the President) we are friends, and should be so. If we differ in opinion, what of it? it is but opinion after all—and I like you the better for telling me frankly what you think." He then alluded to passages, in my letter, which had a reference to congress and the judiciary, and deprecated any reliance whatever upon either. He said, it would be idle to resort to a court, which had decided that the very bills, which congress prohibited, were legal: that there was but one course, to use the power possessed by the executive. I replied, that we differed upon one point only: that he had asked me, on my responsibility to congress, to remove the deposites: and that I could not remove them without violating what I considered my duty: that, on all other points, I agreed with him, and was ready to go hand-in-

* See note to page 39.

hand, to provide a substitute for the U. S. bank. "Sir (said he) I addressed you as secretary of the treasury, and told you to use my letter as your shield." "You called on me, sir, (I replied) to exercise a power conferred on me by law; and you said you did not mean to interfere with the independent exercise of it. You called on me to do an act, for which I might be impeached; and, if I comply, your letter will be no protection; for, in effect, it tells me I may do as I please. The very circumstance, that you disclaim the exercise of control over me, would forbid my holding up your letter as a shield." The President here remarked, that I did not understand the part of his letter, to which I alluded; but, instead of explaining it, he said, "I am preparing a reply to your communication, and ask you to read it attentively. I am disposed to confide in you, and to be your friend; and, if any body tells you otherwise—don't believe him." I said, I felt myself worthy of his confidence; that I had come to speak of a substitute for the present fiscal agent; that if the U. S. bank were to be soon closed, I did not apprehend evil, as to the public funds or operations; that the funds of government in the former U. S. bank remained there, until a few days before it expired; that nearly three years must elapse, ere the doors of the present bank would be shut; that, in my letter, I had suggested a relinquishment of all bank agency; but that time, for inquiry and reflection, as to the plan of a substitute, was indispensable; that, I doubted, whether a provision for fiscal operations could, or ought to be, made, without inquiry into the condition of the general currency; that a regulation of commerce, and a control over bank paper, seemed to be demanded; that legislators alone could duly investigate such important subjects; and that, for sound legislation, there should be some such investigation, as governments, at the head of all others in Europe, were in the practice of making on important subjects; that I had no confidence in the competency of state banks, for fiscal purposes; and that an extension of patronage to them would only increase evils, already too great. The President said, he had already declared against delay, and why there should be none; that there might be, as I supposed, abuses, but there were other and greater abuses; that to await for inquiry would give a triumph to the bank; that state institutions were now our only resource; that he had himself asked congress, so to organize the treasury department, as to dispense with banks, but that he had not been attended to by congress or the people. Much of what was further said, on both sides, will be found in the following letters:

CHAPTER V.

Washington, July 17, 1833.

HON. W. J. DUANE, *Secretary of the Treasury.*

SIR,

I have received your letter of the 10th instant, and regret to find, after a careful consideration of its contents, that the opinions, intended to be conveyed by my letter and communication of the 26th ultimo, have either been greatly misapprehended, or have been associated, in the examination which the subject has received at your hands, with reflections, which have no necessary connexion with them.

A reply to some of the objections you have raised to the course I have recommended for your adoption, is therefore necessary to shield my conduct and motives from unfavourable interpretation, to which they might otherwise be exposed, and to which I am persuaded you do not desire to subject them. This will be more intelligibly done, by first offering a few observations, explanatory of the sentiments, which appear to have been misconceived, and, then, by stating succinctly what the measure was, to which they were directed, and what were the circumstances, under which it was suggested for your consideration and adoption.

The indispensable necessity of some agency for the safe-keeping of the public moneys, whilst in a course of expenditure, and for their transmission from place to place, according to the exigencies of the public service, beyond what can be derived from the fiscal department of the government, as hitherto organized, has been recognised from the establishment of the government to the present day. During the existence of the old bank of the U. S., it was performed by that institution. When the charter of that institution expired, and public sentiment forbade its renewal, this agency was committed to the state banks, and for many years it was performed by them. Upon the incorporation of the present bank, it was transferred to, and has, for many years, been discharged by, it. Its charter is also soon to expire, and the duty of a reasonable provision for this important branch of the public service, is thereby unavoidably pressed upon the early attention of the government.

The establishment of such an agency, of a new one, cannot be the work of a day. To make it safe and effectual, time, care, and length of experience are necessary.

In my former communication, I stated that the reasons in favour of providing a substitute, before the expiration of the charter of the present bank, if one at any time be contemplated, were too obvious to require elucidation. This opinion has not been gainsayed by you, nor directly controverted by any one. All subsequent reflection upon this point has but served to confirm this impression, and it really appears to me, that nothing short of a design to give indirect aid to the application of the bank of the U. S. for an extension of its charter, or to the incorporation of a new bank, could induce the government to fold its arms and wait the expiration of the present charter, and thus involve our affairs in the embarrassments, which would unavoidably arise from the selection of a new agent on the spur of the occasion.

If this be correct, and I must continue to affirm that it is, the interesting questions occur—what provision ought to be made —by whom should it be made—and when should it be adopted?

Those who are in favour of either an extension of the charter of the present bank, or the incorporation of a new one, will of course look to the adoption of one of those measures as the best and readiest mode of obviating all difficulty on the subject. But from both of these resorts, I am precluded by my declared opinions, and in this respect we are of one accord; and as our objections to both rest upon constitutional grounds, it becomes our duty, in the performance of our several functions, to act upon the assumption, that neither of those steps will be taken. What other course is then open to us?

In my messages to congress, I have several times brought to their notice such a re-organization of the treasury department, as will afford to the government all the facilities of the present bank, without exposing it and the country to its evils and dangers. But my suggestions on the subject have met with no favour from congress; and it is due to candour to say, that the countenance they have received in public opinion, has not been such as to encourage the belief that they will be adopted. Under these circumstances, I have brought my mind to the belief, that the employment of the state banks, if they will enter into reasonable terms, is the best, if not the only, practicable resort.

Being apprized of your dissent from this opinion, I felt it to be my duty to call upon you for an expose of any better plan, which

may have presented itself to your mind; and I learn from you, that you have not, as yet, been able to devise one which is satisfactory to yourself.

It remains only, therefore, for me to consider the objections you have raised to the course pointed out by me, as the only one which is open to us, according to our views of the constitution. It consists in a discontinuance of the deposites of the government in the bank of the U. S., and the entering into arrangements with the state banks for that purpose. I will consider your difficulties upon each branch of the subject.

The mere right to remove the deposites is not controverted, nor indeed could it be, for the charter of the bank confers this power on the secretary of the treasury, in terms as plain as the English language can make them. But it appears to you, that this is a power conferred on the secretary to be exercised only in extreme cases, like that of an "insurrection or a siege;" and that to do it under less urgent circumstances would be an act of arbitrary and dictatorial power, every way unjustifiable. You cannot fail, I think, to be satisfied, upon further reflection, that this is an over-strained, if not an unfounded view of this matter, the more especially when you find, that in the conclusion of your letter, when pressed by the reflection that the power must have been given for some probable and reasonable purpose, you virtually admit that it might be justifiably exercised by the secretary, to coerce the bank into such a management of its affairs as the fact of its approaching dissolution ought, in justice to the government and country, to impose upon it. If justifiable from a mere prudential consideration like that, it would seem to me that it would be much more so when employed to secure an object of much greater importance, and upon the attainment of which must depend the successful prosecution of public affairs, in almost all their branches, and without which the government would be exposed to the greatest embarrassments.

You appear to have arrived at this course of reasoning, by supposing the deposite of the public moneys in the bank of the U. S., to be the result of a contract between the government and the bank, by which that privilege is granted to the latter for a valuable consideration paid by it, and from which the government cannot be discharged, otherwise than by the same breach of trust or fraud, as would be held sufficient to absolve an individual party to a contract entered into upon good consideration; and that the fact of delinquency on the part of the offending party

should be ascertained and found in the same manner, by judge and jury, or at least with equal certainty. Now, sir, it appears to me, with all respect, that this view of the subject is entirely erroneous. The stipulation of the charter, that the deposites should, in the first instance, be made in the bank of the U. S., does not, to my mind, contain a single feature of a contract. The charter secures to the bank complete and sufficiently valuable rights and immunities, independent of its being made the depository of the public moneys. That was never intended to be ranked among its chartered, but considered, and so treated of, as a mere privilege, dependent upon the free will and pleasure of the government. Can you figure to yourself the idea of a contract, which one party has a right to put an end to at his own pleasure, without ever being under an obligation to assign his reasons, and certainly without responsibility to the aggrieved party? It is not in certain cases and upon certain conditions that the deposites may be withdrawn, but, if "the secretary of the treasury shall at any time otherwise order and direct." The secretary, it is true, is to assign his reasons, but to whom? in no sense to the bank, unless indeed the error, of identifying congress with the bank, is fallen into, but to congress—another branch of the government, to which the right to know the reasons which have influenced the officer, is reserved for the purpose of guarding against the abuse of his power. The bank has, therefore, no such right to the possession of the public funds as you have supposed, nor would any congress have ever ventured to place them so far beyond the reach of the government.

The question as to the discontinuance of the deposites, on the part of the government, is one, therefore, of expediency merely, and dependent, so far as the bank is concerned, upon the free will and pleasure of the executive, save only that it is responsible to congress, for the motives which govern its acts. The only inquiry is, whether the object to be attained, viz. a reasonable, safe, and practicable substitute for the bank of the U. S., as a depository and distributor of the public funds, through the agency of state banks, and other considerations now existing, constitute an adequate and reasonable inducement for the exercise of a conceded power—a power reserved for the exclusive benefit and security of the government. In the decision of this question, no ideas of "vindictive justice or arbitrary dictation" are involved.

The action of the house of representatives upon the subject, constitutes also in your opinion a strong objection to the course which I have submitted to your consideration. You express a belief that you would "treat with contempt the decision of the last congress" by its adoption, and seem to suppose that it is expected of you that you should "have faculties superior to those of congress, or hardihood that disregards their censure." These are expressions that have escaped in the warmth of a discussion carried on by you under honest but excited feeling; and will, I am sure, be regretted by yourself, upon a more dispassionate review of this subject. It would be doing injustice to both of us, to deem it necessary to say, that I feel myself incapable of treating a component branch of the government, over which I have the honour to preside, with contempt, or of desiring, or expecting, such a course on your part.

In my communication to you, it was my intention to place the proposed measure on grounds, wholly independent of the decision of the house of representatives, and I have to regret that it has not been my good fortune to make myself understood in this respect. Whether those grounds are tenable or not, is a question to be decided by the power, to which we are both responsible, and it is a perversion of them, though certainly unintentional on your part, to assume that they necessarily conflict with that decision. Of that decision and of the circumstances under which it was made, I have spoken as I thought they deserve, but certainly not in a spirit of contempt, and you concur with me in regarding the investigation then made as inadequate. Beyond the admission in the report of the majority of the committee, upon which that decision was founded, that "in the arrangement made by the agent in England for the purchase of the three per cent. stock, and the detention of the certificates (which measures were subsequently disclaimed by the bank) the institution exceeded its legitimate authority, and had no warrant in the correspondence of the secretary of the treasury," as the bank most unjustly and untruly pretended; it related only to the safety of the public deposites in the bank, so far as that depends upon the soundness of its capital and its ability to meet all demands upon it. It has been my object to satisfy you, that, assuming all this to be so, there were still sufficient grounds to justify and require a different disposition of the public deposites. Those grounds have been frankly stated, and need not be here repeated. It is sufficient for the present purpose that they may

be favourably decided upon, without at all coming in conflict with the decision of the house of representatives. The conduct of the bank has not been referred to for the purpose of impeaching the decision of the house, but of showing its unfitness to be employed as the agent of the government, on the score of its infidelity, and repelling all claim on the part of the institution to the favourable consideration of the government, in whatever arrangement the public interest may call for. And it gives me satisfaction to find from your declarations, "that the bank has forfeited all claims to favour," "that it has put itself in the wrong, and that the stockholders have not manifested an inclination to inquire into the causes of complaint against the directors," that in these respects at least we are of the same opinion.

You entertain doubts as to your authority to enter into the proposed stipulations with the state banks, and you do not believe that they will be willing to enter into the engagements which will be required of them. To the latter suggestion, it is a sufficient reply to say, that my first object is inquiry only, and that if the state banks refuse, there will be an end of the matter. The former suggestion is entitled to more consideration.

I did not suppose that any doubt could exist in regard to your authority to make an arrangement like the one proposed, for the safe-keeping and distribution of the public moneys, after they had been once removed from the bank of the U. S., subject of course to any different disposition of them, which might thereafter be made by law: and you will observe that to avoid any embarrassment in the subsequent exercise of such authority by congress, a power is reserved by the proposed terms, to the secretary of the treasury, to revoke the arrangement with the state banks at his pleasure. When the public moneys, by order of the secretary of the treasury, shall cease to be deposited in the bank of the U. S., they will stand upon the same footing in respect to their safe-keeping, as if the charter of the bank had never been granted; and it appears to me that the authority given by law to the secretary of the treasury, *to superintend the collection of the revenue, and to the treasurer to receive and keep the moneys of the U. S.*, clothes that department with ample power to enter into the proposed stipulations, subject to the revision of the legislative power. But this is perhaps a question more properly belonging to the law officer of the government, who, I understand, entertains no doubt in regard to it.

But you object to the employment of the state banks, as unfit agents; and that objection would be equally applicable, whether they are employed by the treasury, or upon the express authority of congress. The reasons which induce me to favour the employment of the state banks, have been fully stated, and will not be here repeated. Some of your objections, however, require, in justice to myself, a brief notice.

I cannot by any means concur in the opinion, that there is more danger to be apprehended from losses by state banks, *now*, than there was during the war. The probabilities are in my judgment manifestly the other way. There perhaps never was a period in our history, since the adoption of the constitution, when the state banks had greater difficulties to contend with than at the time you refer to, and there certainly never has been any in which they stood upon a better footing than at present, or in which the prospect of their permanent success and stability, was more cheering than it is at the present moment, whatever may be the fate of the bank of the U. S. That losses were sustained from them is certain; but I think you must admit, that if the proposed arrangements are entered into, the prospect of the recurrence of any losses to the government, from that source, will be but very slight, if any. The system, if so it could be called, under which the government then acted, was manifestly imperfect. Some risk must always be encountered in such affairs; and it is but seldom, if ever, that our hopes in regard to the success of public measures are fully realized. Whatever may have been the facilities derived to the government, from the establishment of the present bank, we at least cannot differ in the conclusion, that they have been infinitely over-balanced by the evils it has engendered, and the dangers which it threatens to the purity and stability of our otherwise enviable institutions, and that it would have been most happy for the country, if it had never been resorted to.

The substitute I have proposed is, indeed, as you say, like all human schemes, but an experiment; but, as I have heretofore stated to you, I have no doubt of its success, and I hope it will not be thought the less of because I have not assumed its success to be infallible. It is conceded that something must be done, and all new measures must, of necessity, partake, more or less, of the character of an experiment. It may fail, although I feel the strongest confidence that it will not; but how it can for one moment enter into the mind of a single unprejudiced man, to

regard it as a party measure, I am utterly at a loss to conceive. In the proposed plan, the government seek to employ such banks, and such only, as are of good credit, and will do the business required of them with fidelity and despatch: and this selection will be made, without the slightest respect to persons or parties, or at least you may rest assured that no ground for such imputation, will be furnished with my consent. What those, who prefer to misrepresent the acts of the government, may say of it, we cannot help and should not regard. If it should be the case, that there is or should be found any party in the country, which makes the maintenance of the bank a point of orthodoxy, we cannot, on that account, be deterred from pursuing the only course open to us, according to our views of duty, by the apprehension of any such imputation. The adoption of such a course would have led to the abandonment of the policy of the administration, in regard to the most important of our foreign relations—to Indian affairs, to internal improvements, and of a series of other measures—the successful prosecution of which has drawn forth the approbation of our constituents, to so cheering and gratifying an extent.

You urge very strongly, that the establishment of the substitute ought to be left to congress, and appear to think, that "any proceeding now would seem to arise from an apprehension, that the representatives of the people are incompetent or corrupt, and that the people themselves are incapable of preserving the institutions of their country, in the event of a general depravity of their agents." If there was the slightest ground for such apprehension, there would indeed be ample cause for the adoption of a different course. But it appears to me, and I trust it will to you, upon further reflection, that the radical error of this view of the matter, is demonstrated by the answer that must be given to a single question—can congress make any provision for the deposite of the public moneys, until after they have been removed from the bank of the U. S. by order of the secretary of the treasury—and can they, consistently with the charter, be removed by any other authority? Certainly not. This was the reply given on the floor of the house of representatives, when an investigation was asked at the last session, and it would be renewed with increased force at the next. We may ask congress for further investigation, and that, whether the deposites are removed or not; but it is now proposed to discontinue them in the bank of the U. S., upon grounds, which,

by your own showing, require no further investigation; and instead of the construction which is apprehended, from not going to congress in the first instance, the more natural construction would be that by asking their interposition, we evince a disposition to throw on congress the responsibility of an act which does not belong to them—the authority to perform which has been expressly delegated to a different branch of the government. After you have exercised the authority, vested in you by the charter, we may submit the arrangement to congress for its revision, but until that is done they cannot act in the matter.

Of the possible disposition and capacity of the bank, to give an injurious shock to public credit, and to cause embarrassment in private affairs, I have spoken on a former occasion. I do not allow myself to be deterred from the performance of what I regard as a duty, by these considerations, nor have I any apprehension that the adoption of the course I have recommended, is likely to produce a re-action in the public mind, that may strengthen the efforts of the bank to obtain a renewal of its charter. I understand, I think, the character of my countrymen too well to entertain any such fears. Putting out of view all the rest of the long catalogue of the misdeeds of that powerful and dangerous institution, save only the recorded evidence of its deliberate design to frustrate the measures of the government, for the payment of the public debt, its ungenerous attempt to throw the odium of its conduct in this respect from its own shoulders, upon one of the departments of the government, and when this failed, to palliate its acts by two unfounded pretensions—the alleged desire to afford facilities to the debtors of the government which were never rendered—and to guard against the effects of a pestilence which had not yet appeared—taken in connexion with a systematic design, to deprive the representatives of the government of all influence at its board, and in many important particulars, of all knowledge of the administration of its affairs—these facts alone, as long as they remain as they now stand, uncontroverted and incontrovertible, will forever keep down such a re-action as that which you have anticipated. Be assured, sir, that the people of the United States, instead of estimating the damages, which have actually resulted from these high-handed measures, or of regarding them as requiring no further notice, because some of them are no longer operative, will take a higher and a nobler view of their own duty, and of the duties of their agents—they will tremble for the

character of their government in the eyes of the world, when they find it continuing its confidence in an institution which has so manifestly proved itself unworthy of public trust.

The danger is the other way. Look, for a moment, at the past and the probable course of the subject hereafter. The bank, obviously for the purpose of extending its influence and strengthening its arm, for the contest in regard to the renewal of its charter, increases its loans to such an enormous extent, that, in the short space of sixteen months, $28,026,766 of additional debt to it is created. Thus armed, it comes to the trial, and notwithstanding its immense powers, the government and the people triumph over all its efforts—it is defeated—and the question of its continuance, so far as the voice of the people can settle it, is settled—the rapidly approaching expiration of its charter, renders the early provision of a substitute for it, as a government agent, desirable—it, throws itself again upon the country, and menaces it with evils, which are the consequence of the power it has abused. Suppose it successful—suppose the government deterred from the exercise of its conceded authority, and that, preferring its ease and quiet to the performance of duty, it shall leave matters to remain as they now stand, until the actual expiration of the charter. What, allow me to ask you, will be the state of things then? Will not the same menaces be held out? Will not the same danger be portrayed, and the same appeals made to the cupidity of some and the fears of others?—and will not their force be immeasurably increased, by the fact, that the government will be found wholly unprepared for the change, and at the mercy of the state banks, or whoever else it is driven to resort to for aid on the spur of the occasion? Will not the temptations to a violation of the constitution, by re-chartering the bank, be a thousand fold increased, from what they would be, if by a reasonable and steady exercise of its authority, government had prepared itself for the exigency, in the only way I have endeavoured to show it has it in its power to do? Shall we be excusable, sir, when that period arrives, for having left the government in so defenceless a state? I fear not. I am therefore for pursuing the only course which I think promises success and safety. If its prosecution draws after it embarrassments (which it will not do, if there has not been and is not hereafter gross mismanagement on the part of the bank) we cannot help it. Controversies, which cannot be avoided with credit, are

always best dealt with by bold and manly encounter at the threshold.

You may rely upon it, sir, that our fellow citizens would suffer more pain, from seeing the government thus overawed by a creature of its own making, than they would experience regret at any consequences that may possibly flow from the proposed measure. So far as it depends upon me, they shall never be exposed to such humiliation. To say that we condemn the conduct of the bank, and are opposed to a renewal of its charter, is doing but little to prevent this persevering and reckless institution from ultimately succeeding in its efforts. This can only be effectually done by the timely adoption of a substitute, which will enable us to satisfy the people that we can do without the bank of the U. S.

Let us then do our duty, the people will do theirs. They have never yet failed to support me, when in the line of my duty, and I do not doubt their approbation in the performance of it in the present instance.

You are mistaken in supposing that I desire you to adopt my reasons instead of your own, for the decision which you may make on the subject. All that was intended by me, in this respect, was to leave it for you to decide, how far my declared opinions, as to the policy which the government ought to pursue, ought, as being the person more immediately responsible to the people, for the administration of the executive branch, to influence your course on a doubtful point; and that whatever weight you should think proper to give to it, you might be at liberty to avow it, as well as the reasons upon which it is founded. I did not then, nor do I now, think it necessary to anticipate the inconveniences that may result from a material difference of opinion, between the President and the head of a department, on a subject of policy deemed vitally important, and which in most of its operations is placed under the immediate superintendence of that officer.

The circumstance of your differing in opinion from me, and the failure to communicate your views at an earlier period, required no apology. That I am disappointed in the result, I frankly confess to you: for as I knew that we agreed so well in our general opinions, in regard to the bank, I did not, I admit, apprehend so serious a difference of opinion in the details of our respective duties. Contenting myself with informing you, before you entered upon office, on two occasions, that the

question of a removal of the deposites was under consideration in my cabinet; that I had asked their opinions, in regard to it, respectively; and not apprehending that you would understand me as referring to an appeal to congress on the subject; I thought it would be more delicate and respectful to yourself, to avoid any thing like a previous stipulation, in relation to the manner in which your official duties should be performed. Not having required explanations from you, I do not complain that you did not tender them in advance. I reciprocate most sincerely and cordially, the assurances you make to me of continued respect and attachment. Although I owe it to candour to say, that I have been led by the tenor of your letter to fear, that you have suffered erroneous impressions to exercise an undue influence over your feelings, I have seen nothing, which in the slightest degree weakens that unqualified confidence, which I have heretofore placed in your integrity and honour.

Your call to my cabinet was wholly unsolicited on your part. I will not conceal from you the satisfaction that I derived from the reflection, that it might serve to elevate in the estimation of the country, a name, which, though in an humbler sphere, had been conspicuous in the early struggles for those principles, which it has always been my desire to cherish and support. I yet owe it to truth to say, that your selection was only regarded by me as a tribute justly due to the opinion, I had formed of your talents and character. That it may prove a source of gratification to yourself, and usefulness to our common country, is the sincere prayer of your friend,

And obedient servant,

ANDREW JACKSON.

CHAPTER VI.

As soon as I received the foregoing letter, I prepared a reply, dated the 19th of July, and would have presented it, but for the reasons, which I stated in my fifth letter, addressed to the people of the United States, on the 3d of March, 1834. Among other considerations, I doubted, whether the President himself weighed arguments addressed to him; and I felt satisfied, that answers were prepared for him, which were not his own. Friendly personal explanation seemed, therefore, to be preferable. I supposed, that I might be able, thus to counteract extraneous influence. The result, however, did not answer my expectations, and, in consequence, I have ever since regretted that I withheld the following letter. In addresses to the public, and in letters to individuals, in 1834, I quoted passages from it, and now present it, entire. There is not a material statement, argument, or elucidation, in it, which I did not use in my personal intercourse with the executive.

Treasury Department, July 19, 1833.

To the PRESIDENT OF THE UNITED STATES.

I. SIR.—I have had the honour to receive the letter, which you addressed to me, on the 17th, in reference to my communication of the 10th inst., and, before I proceed in the discussion of the general subject, beg leave respectfully to notice two incidental matters, that require explanation.

1. I think it due to you, sir, as well as to myself, to say, that I am unconscious of having been, as you suppose, under any erroneous impressions respecting you, while I was writing my former letter. It is true, that, finding myself, unexpectedly, in a painful position, I addressed you with an ardour, that is, perhaps, unusual in writing to the chief magistrate; but I persuaded myself, that you would attribute that circumstance, to the zeal, for the public welfare and for your own fame, which I had been taught to cherish. Erroneously or not, I sincerely believed, that the measure, contemplated by you, would be unwarrantable in itself, and mischievous in its consequences; and if, in my anxiety to induce you to relinquish it, or at least to relieve me

from censure, I forgot, even for a moment, the respect that is due to you, it would be a source of serious regret.

2. In preparing my letter of the 10th inst., I considered it proper that the manner, in which I entered office, should be distinctly understood, and it gives me pleasure to find, that there cannot now be any doubt upon that point. It is admitted, that I entered office, not only without stipulation, but without any intimation of your decision as to the future. The only information given to me, according to your own recollection, was, that you had asked the opinions of the members of the cabinet, on the subject of the deposites. Even in this particular, my recollection conflicts with yours; but, even according to yours, you barely said, the deposite question was still under consideration, that is, there had not been a decision upon it, and I was left wholly to conjecture, what was the nature of your inquiry, and the bent of your own inclination. These I did not learn until after I entered office. The delicacy you manifested I duly appreciate; but there existed no just ground for disappointment on your part, upon an enlarged view of the circumstances. It may have been natural to suppose, that a person, so resolutely opposed, as I was, to the bank of the U. S., would not hesitate, when able, to cripple that institution. But I assure you, sir, that the more unwilling I was to aid the bank, the more cautious I considered it my duty to be, lest, in the execution of a public duty, I should be influenced by any personal prepossessions. I felt assured that any act on my part would be attributed to my well known opposition to the bank, rather than to a sense of duty; and, therefore, I resolved not to act adversely, unless I should be clearly sustained by considerations of a public nature.

II. In order that the pending discussion, may be conducted in a clear and explicit manner, I beg leave to recur to your letter of the 26th of June last. The very first page of it distinctly announces your wishes. You say, that you had, for some time past, meditated a change of the public depository; that the only existing difficulty was as to the time, at which a change should be made; and that you had come to the conclusion, that it should be made prior to the 15th of September next, in order that the system might be in complete operation at the commencement of the ensuing session of congress. After explaining your desire, that preparation for the change should be made by the agency of Mr. Amos Kendall, you concluded by saying, that, in frankly avowing your own opinions and feelings, "you did not intend

to interfere with the independent exercise of the discretion, vested in the secretary of the treasury by law, over the subject."

If, in consequence, I had simply said, in reply, that I would give instructions to the designated agent, you would have naturally supposed, that I favoured the change, in the way and at the time suggested: but I conceived it to be due to you, sir, as well as to myself, to speak frankly upon so grave a topic. Seeing that you had thrown the whole responsibility upon me. That you had declared your intention not to interfere with the independent exercise of my discretion upon the subject, and that you merely allowed me to adopt your reasons as my excuse or justification; I could not hesitate as to my course. I considered a change of the depository altogether unwarrantable on my part, and took the freedom to state my objections in detail. Upon those objections, you have been so good as to present to me your comments, in your letter of the 17th inst., now before me; and those comments I now proceed, frankly but most respectfully, to notice.

I may admit, that, almost from the commencement of the government, bank agency has been employed, in conducting its fiscal operations; and that a substitute must be provided for the present agent: but, while I further admit, that preparation for such a change cannot be made in a day, I do not admit that the present agent will cease to operate "soon," and that the interval between the present time and March, 1836, should be so regarded. I also admit, that, before the extinction of the present agency, provision should be made for another; but I do not admit, nor have I ever supposed, that government should fold its arms, and decline to act until 1836: the whole tenor of my letter of the 10th inst., forbids such an inference. In it, I urged the agency of congress, as essential for preparatory measures. So that the purpose hinted at is contradicted by my expressed recommendation.

It being agreed, then, that a substitute for the present fiscal agent, should be selected prior to the dissolution of the latter, the real questions are, as you have yourself stated them—*what* provision ought to be made? *by whom* should it be made? and *when* should it be adopted?

I have already avowed my concurrence with you, sir, in saying that the present bank of the U. S. ought not to be re-chartered; and I also concur with you, if it is your opinion, that the constitution does not authorize the creation of a new corporation:

but I do not admit, that it is patriotic or discreet to adopt the agency of local banks. On the contrary, if bank agency is necessary for the operations of government, the power to create a well-regulated auxiliary should be at once sought for, by an amendment of the constitution. Such has been at all times my opinion, strongly confirmed even by the limited experience of fifty days in this department.

But the constitutional obstacle exists; and, therefore, you inquire, what other course is open to us? To this question, you, in the first place, reply, that you had, on several occasions, asked congress, so to organize the treasury department, as to afford to government all the benefits, without the evils of the present bank; but that your suggestion had not been attended to, either by congress or the people. Upon this, permit me respectfully to remark, that your appeals to congress prove two things; first, that you believed the treasury department, might be so organized as to avoid the evils and yield the services of the bank; and secondly, that you considered congress to be the proper authority to provide a substitute. With what propriety, then, could I interfere? Were I to do so, congress might well say,—"Sir—the President himself repeatedly urged us to provide a substitute for bank agency; but we did not think proper to act; yet you, a subordinate, have undertaken to usurp our power! your interference was as indiscreet itself, as it was disrespectful to us." Such, sir, might, with propriety, be said, according to your own example or explanation.

It by no means follows, however, because congress and the people have not hitherto favourably received your suggestions, that they will continue to be passive. It is reasonable, and respectful to the legislature, to believe, that they did not consider it necessary or proper to legislate in 1830, for their successors in 1833, 1834, 1835, or 1836. Such were my own opinions, when I respectfully asked you to make one more appeal to congress, ere you urged me to do what I absolutely believe it to be my duty to avoid.

Instead, however, of presenting the question, "*what* provision ought to be made?" to the representatives of the people, chosen since your veto message, it is your pleasure to pass at once to the next question, "*by whom* should the substitute be provided?" and you decide, *first*, that the provision should be made by yourself, and, *secondly*, that state banks should be the substitute. To all this I may have no right to object. I simply place the

facts before you, in my own excuse; that is, you have been so good as to assure me, and to cheer me with the assurance, that you will not interfere with the independent exercise of the discretion vested in me by law, over the subject; and you further tell me, that you have heretofore thought it your duty to consult congress on the subject. So that I consider myself not only free to follow the dictates of my own judgment, but bound to bear in mind, that, in my course, I have before me the example given by yourself.

It is your pleasure, then, to conclude, that local banks are the best, if not the only, substitute, before any effort has been made to do without them; and you have come to this conclusion, you assure me, among other reasons, because I had not myself yet offered a substitute. Upon this allow me respectfully to remark, that, on so grave a subject, I deemed inquiry and thoughtfulness essential; and that I might well be thought presumptuous, if when, but a few weeks in office, and on three days' notice, I had done what no one had even attempted, that is, submitted a detailed plan for fiscal operations, independently of banks. In my letter of the 10th, and in our conversation on the 15th inst., my preference was indicated—a separation from bank agency. This would involve the employment of federal agents in its stead; and for that change the co-operation of congress would be essential. Nay, it may be well questioned, whether such an inquiry should not be connected, with an examination of the entire subject of the currency, involving a consideration of the diversified interests of the country, in its foreign and domestic relations, and even the relative rights and duties of the Union and the states severally. On all these topics, it may become my duty diffidently to express my own opinions; but congress alone are competent to develope the fruits of experience. It is by the legislators of the two most free and enlightened nations of Europe that, inquiries are made on momentous subjects; the aid of ministers there, is only initiative and auxiliary. I desire, therefore, to have time to inquire and reflect as to the positive good and contingent evil of a substitute, and to have an opportunity to present my views to congress. This is the course, which, I respectfully conceive, is pointed out by a due regard to public considerations, and by respect for you and for myself. Any other would be precipitate, perhaps mischievous.

III. If, however, you have definitively, come to the conclusion, that you are the proper authority to select a substitute, and that local banks are the best, the next inquiry will be, whether those banks will or can execute those duties, which are now performed by the bank of the U. S. In any such inquiry, it may become me to engage, so that, if called on, I may have information to submit to congress. But as soon as such an inquiry shall have been made, and you shall arrive at your third question, "*when* should the substitute be adopted?" it will be my duty to pause and consider, how I ought to exercise the discretion, vested in me by law, which, you confess, is independent of your control, and with which you assured me you meant not to interfere. So that, really, sir, the questions are reduced, as you say, to one of time only. You believe that a change should be made in two months, whereas, I think nothing should be done without legislative co-operation.

In order to ascertain, whether my opinion should be considered erroneous, or otherwise, I carefully read your reasons; and, not being convinced by them, I respectfully submitted mine to you, but without effect; upon mine you commented in your letter of the 17th inst., which I now have before me; and I proceed respectfully but frankly to consider, what you have therein thought fit to urge.

1. In my former letter, I took the freedom to say, that a removal of the deposites, from the bank of the U. S., without such a cause as would justify legal proceedings, would be regarded as arbitrary. In reply, you, in the first place, say, that the manifold offences of the bank are an adequate justification; a remark which I meet by again asking, why, if its offences are so great, are they not punished in the authorized way? If the legislature and the judiciary have the purity, which I rejoice to see you are now inclined to think they have, there is a double remedy; but if those tribunals are shunned, why should I set myself up as their substitute?

2. You, in the next place say, that the deposites may be removed, for the alleged offences, or for public purposes, because I virtually admitted at the close of my former letter, that they might be removed as a matter of expediency; but, if you will be so good as to examine my letter, you will not discover the supposed inconsistency. In the body of that letter, I maintained, that a "continuance" of the deposites was a part of the contract; and, at the close of it, I said, that, if faithful means should

not be taken, to wind up the institution, it would be my duty to consider, how I ought to exercise the power vested in me by law, so as to prevent the threatened evil. What is this but a link in the chain of my general argument, that the power was granted, to guard the public funds, and to meet any emergency or tendency to abuse?

3. It is your opinion, sir, that I err in supposing, that the removal of the deposites would be a breach of faith. You maintain, that the benefits, conferred by the charter, independently of the deposites, are quite enough for the considerations given by the bank. Allow me, however, respectfully to suggest, that it is not usual thus to regard engagements, especially those to which a nation is a party. The bank gave a million and a half of dollars, and its services as fiscal agent for twenty years, on the national promise, that it should enjoy, during the whole of those twenty years, the exclusive privileges conferred by the charter; among those exclusive benefits are the public deposites, and they are a material part—the bank has an exclusive right to them, wherever it is or has branches, until such circumstances shall exist, as warrant a cessation to deposite altogether. So that, until removed, for reasons satisfactory to the secretary of the treasury, any deprivation of the deposites would be a breach of public faith. And, therefore, allow me, sir, respectfully to say, that I do figure to myself a case, that is not unusual, in which one party reserves a right to suspend or close operations—not a suspension at the mere will of a party, but for reasons satisfactory to those, who are established by the contract as the judges—in the present instance, first, the secretary of the treasury, and, secondly congress.

4. I am constrained to say, that in your observations upon the proceedings of the last congress, on the question of the deposites, I do not find an adequate cause for abandoning my opinions, heretofore expressed, on that point. If, as is alleged, the bank is an unfaithful agent, unworthy of favour, let none be shown; but it is not favour, it is right, that is asked; and right is asked, because the honour of the country forbids a denial of it, unless justified by reasons manifestly sound and fairly established. It would seem, however, that I had not the satisfaction to understand your views, upon this part of the subject, and I am still so unfortunate as to remain unenlightened. You do me no more than justice, however, in believing that I am incapable of perverting your views; and, allow me, respectfully, to add,

that much of the stress, almost complaint, which you are pleased to lay, upon passages of my former letter, is under a misconception of their character. In my letter of the 10th inst., I endeavoured to show, that the members of the last congress might regard a removal of the deposites, by me, as a contempt of their decision; and that their removal, within a few months of the meeting of a new congress, would be regarded as equally disrespectful to them. In short, I made the act and the case my own, as I believed, and still believe, it to be; and did not fancy that imputation would or could rest upon any body else. Instead of so regarding the matter, however, I regret, sir, to see, that you supposed I desired to place you in that awkward position—a conclusion utterly at variance with my intentions.

5. It became me, I conceive, as an officer, to whom the law had given a very extraordinary discretion, to look, with anxiety, to the probable results of any proceeding on my part. My experience taught me to believe, that no sound banks would enter into such arrangements as you proposed. I also doubted my right to make such arrangements on the part of the public. It is true, that, if the deposites were removed, matters would be just as if the U. S. bank had not existed, and it might be my duty to provide for their temporary safety. But, still I do not believe, that I have authority to make, with local banks, such arrangements as you propose. For reasons satisfactory to myself, I may instruct public officers to cease to deposite in the bank of the U. S., and I may provide for a temporary safe-keeping of the public funds; but, it would be my duty, in such an event, to report immediately to congress; and I have no right to enter into stipulations, that might interfere with their decision. So that, with all possible respect for the law officer of the government, I am disposed to rely on my own judgment, more particularly as, in the event of a mistake, I must be the sufferer.

6. My aim, throughout, in relation to local banks, has been to justify myself. I respect your experience and judgment, but I still think the government ought not to sanction those institutions. I am not able to perceive the distinction between a legislative sanction of one bank, and an executive patronage of fifty —that is, I cannot conceive, why the former is pernicious, if the latter are harmless. According to my convictions, the adoption of local banks is the most open to complaint—for it is proposed to confer upon an officer, who may be removed at your pleasure, a power to select, among greedy competitors for the public

money, such as he may think fit to favour; and, although you or I, sir, would not abuse such a power, it ought not to be exercised without legislative authority. Our institutions rest upon the basis, that no power should be conferred, unless essential for the public welfare, and that, when conferred, the power should be well defined and distributed, as well as easily checked. Nor am I able to concur with you, sir, as to the present appearances or probable consequences of local banks; instead of regarding the stimulated system, that banks have mainly produced, as an indication of social happiness or moral excellence, I regard it as an omen of the disease and decay of both.

It may be, that I view these matters erroneously. In my solicitude for my countrymen and for posterity, I may magnify the danger. But my fears are not of a late date. I cannot forget the past. Nor can I conceal from myself the fact, that the local banks, at large, cannot pay more than one silver dollar for six in paper, if so much. Much less can I disregard the circumstance, that the income realized from banks, is a tax mainly paid by those who labour and produce—and that upon such persons ruin heavily falls, in the event of any catastrophe. Banks, limited in number and in profits, and purely and wisely conducted, as some banks may be, may aid enterprise and promote trade. I object to the perversion of what may be useful —to the extension of national patronage to a system, that, as such, is delusive if not mischievous—to the adoption of institutions, which usurp the sovereign attributes of the Union. It may be impracticable, successfully to interfere in relation to them— but it may well be doubted, whether the growth of such institutions should be promoted by governmental agency.

7. You are of opinion, that there is a radical error in my view of that part of the subject discussed, which relates to a reference of the question of the deposites to the next congress. In order to demonstrate my supposed error, you ask, whether the deposites can be removed except by the secretary of the treasury? to which there can be no other reply than, that the secretary alone can remove them. You then, however, inquire, whether congress can make any provision for a deposite of the public money, before its removal? to which you reply it cannot, and that a removal, therefore, must be the first step. In this, however, I cannot concur; on the contrary, I am satisfied that congress may control the whole matter. Your conclusions are, that the existing grounds for removing the deposites are suffi-

cient; and that, so far, congress have nothing to do with the question; that it would be throwing on them a responsibility, not belonging to them, but to another branch of the government; that, when a change shall be made, it will be time enough to submit it to the revision of congress; but, that, until the change be made, they cannot act. But, sir, I cannot concur in this view of the subject; the positions assumed, I humbly conceive, are untenable. The bank charter reserves to congress the right to decide, after removal of the deposites, whether the removal was proper or not. So that I respectfully contend, that congress have a right to decide, whether a removal should or should not be made at a future day, for they are to judge of the reasons. Nor do I admit, that the responsibility rests on the executive branch of the government; on the contrary, you grant, in your letter of the 26th of June, that the secretary of the treasury has by law a discretion, which he may use independently; independently of whom? Surely of every authority but that of the law, and of congress, to whom his conduct is to be submitted. I may, indeed, be in error, but it would appear to me to be at least singular, that the secretary of the treasury should be clothed with a power, which his superiors could not exercise, guide, or control, without his previous action; that, if they should think the public funds in danger, they could not protect them, if he thought otherwise. According to my impressions, the power of congress must be wholly unsuited to its objects, if it may not be exercised to instruct the agent to do, or how to do, or not to do, the act, for which, if done, he is obliged to give them his reasons. So that, in the absence of all necessity, I desire to submit the question of the removal of the deposites at first, to those who are to decide upon it at last.

8. With regard to the mischievous effects, which I ventured to anticipate, you seem to be in doubt, whether some of them would not result from a removal of the deposites, and you say that you are prepared for the hazard. It is not my lot, however, to have such redeeming merits, as would shield you from public wrath, in case evil should succeed any of your public acts. Your services, sir, constitute so large a fund of public indebtedness, that you may take the chance of having the balance reduced; but as I have not an item to my credit on the public ledger, I must take care not to have one against me.

The view, which you present, of the past conduct, and future designs, of the bank, does not alter the convictions expressed in

my former letter. There is no man more ready than I am to promote or meet any scrutiny; nor are there many, who would more readily incur hazard than I would, when satisfied of the soundness of a proposed measure: but I should not consider myself as acting patriotically or wisely, were I, in the expectation of uncertain excuse, from an excited people, to execute an act of at least a doubtful character, contrary to my own dispassionate conviction. I cherish the good will of my fellow citizens, as dearly, sir, I assure you, as you do; but, as I have been taught, that I could best secure their confidence by maintaining my own good opinion and self-respect, I take care not to offend myself. Besides, sir, allow me to say, that, if the misdeeds of the bank are so glaring as you represent them to be, and I desire not to palliate any that are so; if the public voice has so loudly pronounced condemnation; it seems to me, that there need not be either alarm or hurry at present—a delay of a few months cannot change what has already occurred, nor could a removal of the deposites remedy any past evil. As to the apprehension, that the world would regard a continuance of the deposites, a proof of governmental confidence, it should have no existence: the deposites are continued, because public faith should have greater sway, than the desire to punish malconduct by unusual means.

9. You are pleased, sir, to inquire, what will be the state of things, if matters shall remain as they now do, until the expiration of the charter? To which I reply, that this is a consideration, into which I have no occasion to enter. As an agent, I have only to consider, whether I ought to act now. The future I leave to those, who are competent to provide for all contingencies. I cannot anticipate, that the constituted authorities will neglect their duty; nor do I apprehend evil, even if their action should be deferred. The charter of the old bank of the U. S. expired on the 3d of March, 1811, and the public money remained in its vaults within thirty days prior to that date. To suppose that the government will, or can, be humiliated by its own creature, unless I act prior to the meeting of congress, is investing me with a power, of which I cannot conceive the nature; and seems to be inconsistent with a due estimate of the virtue and intelligence of the people. It is, besides, making the bank, powerful as it is, more powerful than the country itself—a conclusion to which I cannot come. On the contrary, I am persuaded that dispassionate men would regard the act of re-

moving the depósites, not conservative or protective, but angry and vindictive—utterly out of keeping with the attitude, that should be assumed by a nation, that has the bank absolutely at its mercy.

10. If, sir, consistently with the duty, which I owe to our country, and the respect that is due to myself, I could fully and at once concur with you, I should feel more pleasure than I can describe. Independently of my just sense of your past confidence, there are, especially at the close of your letter, such expressions, as, of all that you could have used, were most likely to lead me to the designated point—but I am not permitted to subject my judgment beneath my feelings. According to a decree of Providence, diversity in opinion is almost as universal, as that in features, among men. So that, as it is no more in the power of a human being, to alter his convictions at will, than to change the shape of his person or the cast of his countenance; we are taught to entertain towards each other a charity, that leads at once to the development of truth, and the preservation of the inestimable right of freely forming and expressing opinions. If I err, therefore, I ask for myself only the same liberal interpretation of my motives, which protects yours from scrutiny or doubt.

Certainly, if the possession of your friendship is, as it must be, desirable; if the exalted station, which I occupy, is an object of laudable ambition; and if it is painful and perilous to risk friendship and place—the motives that govern my conduct must be of no common character. If I decline to concur with you, I do nothing to conciliate others. If I oppose the U. S. bank, I am still unwilling to foster the local banks. My motives are those, which I have heretofore avowed, and have herein repeated. For them, or for my conduct, you cannot be at all accountable. If the act, sought to be done, ought to be performed, you will have exerted all your energies, to show that it would be proper. If the act, sought to be done, shall be deemed improper, justice will be done to your motives. As to mine —they may be impeached by malignity, perhaps, for whose are not? but I have no fears on that account. Good men will not unkindly suppose, that an individual, reared in the school, to which you have delicately alluded, can have no generous motives. They will not believe, that a person, taught, with almost the rigour of Hamilcar, to entertain an hereditary dislike of all privileged classes, has a leaning towards the most powerful,

that has hitherto existed in our country. Nor will they believe, that he, who, through life, in public posts, and private station, opposed all monopolies, desires to perpetuate the greatest.

IV. * * * What, then, sir, let me, ere I conclude, pause and ask, is the extent of the difference between us? You ask a removal of the deposites two months hence—that is, about two months before the meeting of congress, if a suitable arrangement with local banks can, in the mean while, be made: but, you add, that you do not mean to interfere with the independent exercise of the discretion, vested in me by law as to the removal. On my part, I ask that the wisdom of the legislature, so soon to meet, may be resorted to, on the question—especially as there is no pressing need of earlier action. Thus I exercise my discretion. The difference, then, is, as to time, and the time but a few months. I respectfully conceive, that all sound considerations are in favour of such a reasonable delay.

With the utmost respect and consideration,

I am, your obedient servant,

W. J. Duane.

CHAPTER VII.

I WAITED upon the President, twice on the 19th, and again on the 20th of July; and at those interviews, the same course of argument was pursued, which is laid down in the preceding letter. I desired to bring the President to a point, and that was not easily effected. At last, he said, "I want to press no man's conscience. My wish is to meet congress, with a declaration, that we have a safe substitute, for the U. S. bank. How can we do this, without inquiry. I desire Mr. Kendall to make that inquiry. I doubt, whether the state banks will come into my plan of mutual guarantee, which I consider the only safe one; but we must try. For one, I shall be for positively removing the deposites, if the three per cents shall not be given up by the bank, in October. But the law gives you the power—the act must be yours. What, however, I want, is, *inquiry*, not to *make* an arrangement. Information ought to be got even for congress; and it is through you, it should be collected. Now, do you understand me? Until we get information, and consider it, we shall remain uncommitted."

I supposed, that I now understood the President, and even began to flatter myself, that I had gained a point. I understood him, that there was to be a fair inquiry, such as the importance of the object demanded; that information, needful for a decision in such a case, was to be collected; and, that, until such information should be collected and considered, there was to be no commitment; that my own sense of duty was not to be interfered with; and that, if the U. S. bank should deliver up the three per cents, in October, a removal of the deposites would not be pressed upon me.

Under these impressions, and, far from suspecting, that the basis, on which they rested, had been insincerely laid, or would be faithlessly changed, I prepared the following letter of instruction: the paragraphs E, F, G, H, I, K, L were copied from the President's plan of state bank agency, quoted from his letter from Boston, dated June 26th (see page 12.) The remaining paragraphs were introduced by myself.

Instructions.

(A.) "SIR.—The operations of the bank of the U. S., excepting such as may be necessary for winding up its affairs, will cease on the 4th of March, 1836. If, in the opinion of the secretary of the treasury, adequate reasons shall justify the measure, he may, at any time prior to that period, cease to deposite the public money in that bank.

(B.) "The President, therefore, considers it his duty to ascertain whether a substitute for the present public depository may not be had; in the event of a change prior to the termination of the charter, or at the dissolution of the bank, should it until then remain the depository.

(C.) "It is the opinion of the President, that to conduct the fiscal operations of the government, bank agency is necessary; and, as he cannot, consistently with his avowed sentiments, sanction any national institution, he desires to seek for agents, amongst the banks incorporated by the several states, in their individual capacity.

(D.) "The President, having designated you as the agent to make the necessary inquiries, I beg leave to present to you the views that he entertains as your guide; it being understood that you are to make inquiries of all the banks in the principal cities, in which primary banks are to be selected, in order that an ample scope for selection may be had.

(E.) "1. That one bank be selected in Baltimore, one in Philadelphia, two in New York, and one in Boston, with a right, on the part of the government, to add one in Savannah, one in Charleston, S. C., one in the State of Alabama, one in New Orleans, and one in Norfolk, upon their acceding to the terms proposed, all which shall receive the deposites in those places respectively, and be each responsible to the government for the whole public deposites of the United States, wherever made.

(F.) "2. That those banks shall have the right, by a convention of their presidents or otherwise, to select all the banks at other points throughout the United States, in which the public money shall be deposited, with an absolute negative by the secretary of the treasury.

(G.) "3. That the secretary of the treasury shall have power to discontinue the deposites in any bank or banks, or break up the whole arrangement, whenever he may think proper, he giving, in such case, the longest notice of his intention to do so, which the public interest may warrant.

(H.) "4. That the primary and secondary banks shall make returns of their entire condition to the secretary of the treasury monthly, or oftener, if he shall require it, and report to the treasurer weekly, the state of his deposites with them respectively; and that they shall also subject themselves to a critical examination of their books and trans-

actions, by the secretary of the treasury, or an authorized agent, whenever the secretary may require it.

(I.) "5. That the arrangement of the government be only with the primary banks, which shall be responsible to it, not only for the safety of the entire deposites, wherever made, but for making payment at any places in the United States, (without charge to the government,) in gold or silver, or its equivalent, of any sum which may be required there to be paid by the secretary of the treasury: that they will also pay any expenses of an agent, temporary or permanent, whom the secretary may appoint to examine into their affairs.

(K.) "6. That they will render, or cause to be rendered, without charge, every service, which can now be lawfully required of the U. S. bank.

(L.) "7. It would be inconvenient to employ all the state banks in good credit, at the places designated for the location of the primary banks; but, it is, nevertheless, extremely desirable to secure their good will and friendly co-operation. The importance of that object is too important to require elucidation. It is supposed, that it might be accomplished by an arrangement between the primary banks and the other institutions in their immediate vicinity; by which, in consideration of an assumption by them of a share of the responsibilities, assumed by the primary banks, an equitable share, all proper circumstances considered, of the benefits, of the public deposites, would be secured to the other institutions referred to; this might be done, by allowing them respectively a credit at the selected banks, equal to their share of the deposites, taking into view the amount of capital, the trouble of the primary banks, and all other circumstances entitled to consideration. If such an arrangement could be made, they would increase the actual security of the government, and consolidate the entire mass of the mercantile community of the principal cities, in favour of the system, and place its success and permanency beyond contingency. If the negotiation upon the subject shall, in the first instance, be opened with delegations from all the banks, in the cities referred to, and if they shall be informed of the desire of the government, to award facilities, and extend equal facilities to all; but, that, in case of failure to make such arrangement, it would have to select, at its own pleasure, the requisite number; there is reason to hope that the arrangement may be brought about.

(M.) "8. If the banks, or any sufficient number of them, shall be disposed to make such arrangements as are contemplated by the President, it will be necessary to inquire of them whether their several charters authorize them to make such an arrangement as is contemplated; that is, whether the president and directors may lawfully enter into the engagements required.

(N.) "9. In order to ascertain whether the proposed arrangement is practicable, under circumstances, that may be expected to arise, inquiry should be made of all the banks, whether, if this arrangement should be made prior to the 4th of March, 1836, it will be in the power of the bank of the U. S. to embarrass or interrupt it; and whether any proceeding of that kind is to be apprehended. In case any such proceeding may be apprehended, it will be proper to inquire, what would be the probable effects of any collision or contest (between the selected banks and the bank of the U. S., or other banks favourable to or combining with it), not only upon the banks themselves, but upon the community at large.

(O.) "10. In order that a full investigation may be had upon matters deeply interesting to the country, it is desirable that the views of the President herein expressed should be fully communicated to the banks proposed to be made public depositories; and that the banks should be required to give specific replies in writing, embracing statements of their affairs respectively, on the first day of the present month—the capital actually paid in—the amount of notes in circulation—the amount of specie actually on hand—the amount of deposites—the amount of debts due to the banks respectively—the amount due by them respectively—the nature and amount of the bank property of each—and all other facts that you may deem necessary to be known to enable the government to act advisedly, and to understand the true condition of the banks proposed to be made depositories.

(P.) "Apprehending that any proceeding whatever, especially at the present time, may be likely to promote what is called stock speculation, with all the mischiefs and tendency of gaming, I respectfully express my conviction, that your agency ought not to be regarded as a matter to be kept secret, but, on the contrary, that its objects should be explicitly avowed upon all proper occasions. Secrecy is not necessary, nor is it practicable if it were so; so that to attain a public object, the means should be open in themselves and in their developments. It will, of course, be proper to communicate, from time to time, the progress you may make.

(Q.) "Having thus, sir, placed before you the views of the President, and such suggestions, on my own part, as seemed to be called for, it becomes my duty to myself, in order to guard against expectations, on the part of the banks, that may not be realized, or misapprehension elsewhere, distinctly to say, that my performance of the present act of duty, as an executive agent, is not to be understood as an indication of any intention, on my part, under existing circumstances, to exercise the power vested in me by law. Whether such an emergency may not arise, as may warrant the exercise of that power, it is unnecessary now to anticipate; it is sufficient to observe, that, in my opinion, none such exists at present."

CHAPTER VIII.

When, on the 22d of July, I waited on the President, with this draft of instructions for his agent, I supposed, that he would pursue the natural course of personal explanation. He evaded it, however; saying, he would see me, after reflecting upon what I had prepared. Instead of doing so, however, he sent to me the following letter:

"*Washington, July* 22, 1833.

"My Dear Sir:—I cannot perceive the propriety of the concluding paragraph (q) in the draft of instructions, proposed to the agent of inquiry, which you have submitted to me this morning; unless you are determined not to acquiesce in the decision which the President, on advisement with his cabinet, may make after a full view of all the circumstances of the case. You may not be aware that such is the construction which the paragraph authorizes, and that it is manifestly at variance with the views which render the inquiry expedient. The great object to be obtained by the inquiry is to ascertain whether the state banks will agree to become the agents of the government, on the terms proposed, for the safe-keeping and transmission of the public moneys. If they will, the ground taken by the President, should circumstances remain as they now are, is that it will be then expedient and just to resort to them as a substitute for the bank of the U. S. as a fiscal agent. But lest in the course of the inquiry something might arise which would justify a different course, it was deemed best by us, at our last interview, that there should be no commitment beyond the inquiry at this time, as to the action of the government in regard to the change of the deposites; and that on the latter point a decision should be postponed until the report of the agent should be received, when there would be a full consideration of the conduct of the bank, and of all the matters connected with the substitution of another fiscal agent.

"Previously to inquiry, however, you declare that nothing has yet occurred to render necessary the movement anticipated by it, and thus leave me to infer that should the inquiry establish the competency of the state banks to perform the agency proposed to them, you will not feel yourself at liberty to carry into effect, the decision, transferring the public deposites to them, which the President, on advisement with his cabinet, may make. Please inform me whether I am correct in supposing that this is your determination. If I am, it will then be my duty in frankness and candour to suggest the course which will be necessary on my part.

"I am, very respectfully, your obedient servant,

"Andrew Jackson."

I considered this letter, not only a violation of the assurance, given in the President's letter, from Boston, that he did not mean to interfere, with the independent exercise of the discretion, conferred on me by law; but a palpable infringement of the agreement, admitted in the above letter itself, that there was to be no present commitment. The construction, put upon the concluding paragraph, of the draft of instructions, was forced and unwarranted. That paragraph (q) simply stated, in writing, what, the above letter itself shows, had been agreed upon orally, that there was to be no present commitment. The question of the actual removal of the deposites had been reserved; and yet, the above letter demanded a commitment at once.

These and other manifestations of bad faith, gave me much uneasiness. My inclination, therefore, was to refuse to omit the paragraph objected to. It occurred to me, however, that but one change was proposed; that the instructions still required the agent to collect information; and that, if fairly collected, such information must disabuse the President himself. Under such impressions, I returned the following reply:

"*Treasury Department, July* 22, 1833.

"To THE PRESIDENT OF THE UNITED STATES.

"SIR: In answer to the letter which I have had the honour to receive from you, this afternoon, I beg leave to state that, having understood your present object to be merely an inquiry into the practicability of the arrangement, which you desire to make with the state banks, in case it should be deemed proper to employ them as substitutes for the bank of the U. S., and that there should be no commitment beyond that inquiry, it occurred to me that it would be prudent to insert in the instructions to the agent, a paragraph, which would prevent misconception, that might otherwise be produced, undesignedly on his part, in the minds of the directors of the state banks, or of those of the public. If such misconceptions should be otherwise guarded against, as they may be, I have no desire on my own account that the paragraph (q) should be retained.

"I have already, both in writing and verbally, had the honour to state to you, that, after the fullest consideration which I have been able to give the subject, I do not, under existing circumstances, feel myself justified in substituting state banks for the bank of the U. S., as the depository of the public money; but that I am ready to make, under your direction, the fullest inquiry as to the propriety of the change. In the discharge of the high trust confided to me, it has been my desire to act according to my best judgment, with all the lights before me. And although I do not anticipate such a change in my views on

the subject, even if the inquiry should establish the practicability of employing the state banks, as will lead me to remove the deposites for any cause now known to me, before congress shall have had an opportunity to act upon the matter, yet I am open to conviction, and will not fail to give the fullest consideration to any new facts which may be presented, and to any information that may be obtained in the proposed inquiry. I shall also be ready to enter into a full examination of the whole subject, when you shall, as you propose, bring it before your cabinet. But if, after receiving the information, and hearing the discussions, I shall not consider it my duty, as the responsible agent of the law, to carry into effect the decision that you may make, I will, from my respect for you and for myself, promptly afford you an opportunity to select a successor, whose views may accord with your own on the important subject in contemplation.

"Beyond this conclusion I respectfully conceive I cannot go without improperly committing myself; a position in which I understood I was not to be put before inquiry. Were I now to say, that I would persist in my present opinions, be the results of inquiry and discussion what they may, I should evince a recklessness to be rebuked; on the other hand, were I to pledge myself hereafter to abandon my present sentiments, without knowing whether any thing may arise to justify the change, I should betray a weakness to be pitied, perhaps despised. All that I can promise, therefore, consistently with the respect due to you as well as myself, is, that, when the moment for decision, after inquiry and discussion, shall arrive, I will concur with you, or retire.

"With the utmost consideration, your obedient servant.

W. J. DUANE."

I wrote this in good faith. The assurance, with which it closed, was uncalled for and impolitic. It is the best evidence, however, of my confidence, that good faith would be observed, on the part of the executive. Information was to be collected. I had made the collection of it material to myself. It was only after the receipt of information, and consequent discussion, that I could be called upon to observe my agreement to retire. There was no suspicion, that, upon receiving that agreement, the whole foundation, on which it rested, would be removed; that is, that the President would forbid the agent to collect information. Yet, as soon as the above letter was delivered, the pre-existing state of things was changed in every material part, as if to compel my retirement. The instructions were sent to me with the following note:

Washington, July 23, 1833.

To the SECRETARY OF THE TREASURY.

DEAR SIR,

I have received your note, in reply to the observations, which I felt myself obliged to make, in regard to the concluding paragraph of the instructions, proposed to be given to the agent of the treasury. It is entirely satisfactory, and manifests a spirit, which, I trust, will enable us, before the time arrives for acting upon the report of the agent, to agree as nearly as may be desirable in the decision which may be made on the subject.

I return you herewith the draft of the instructions, with some notes, suggesting a few changes, which you will doubtless see no impropriety in adopting, leaving out the last paragraph.

I am, very respectfully and truly, your's,

ANDREW JACKSON.

This I regarded as a new demonstration of insincerity. Instead of "notes suggesting a few changes," the original draft, in my hand-writing, was sent to me, with the material parts erased and changed.

Instead of paragraph (c), according to which I had made the President, as I supposed he was, an opponent of any national bank, he introduced the following:

"It is the opinion of the President, that hereafter as heretofore, bank agency will be found convenient, in managing the fiscal operations of the government; and, as he cannot, consistently with his avowed sentiments, sanction any national institution, organized upon the principles of the existing bank of the U. S., he deems it proper to ascertain whether all the services now rendered by it, may not be performed by the banks incorporated by the several states, on terms equally or more favourable to the government."

The paragraph (D) was altered by striking out these words:

"It being understood that you are to make inquiries of all the banks in the principal cities, in which the primary banks are to be selected, in order that ample scope for selection may be had."

Paragraph (L), and the following important paragraph (N), were struck out altogether:

"In order to ascertain whether the proposed arrangement is practicable, under circumstances, that may be expected to arise, inquiry should be made of all the banks, whether, if this arrangement should be made prior to the 4th of March, 1836, it will be in the power of the bank of the U. S. to embarrass or interrupt it; and

whether any proceeding of that kind is to be apprehended. In case any such proceeding may be apprehended, it will be proper to inquire, what would be the probable effects of any collision or contest, (between the selected banks and the bank of the U. S., or other banks favourable to or combining with it,) not only upon the banks themselves, but upon the community at large."

And this new paragraph was added:

"You are not to consider yourself precluded, by these instructions, from making any other propositions to the said banks, for the purpose of ascertaining on what terms they will undertake the service referred to; and you are at liberty to receive any propositions from them that they may think proper to make."

Again the question arose, whether I ought not now to resist. By not resisting this departure from the admitted agreement of the 20th of July, I might waive my right to complain thereafter of its violation. On the other hand, it seemed to be my duty to the public, not to be thus driven, by artifice, from my post. The aim, of the clandestine advisers of the President, evidently, was, to effect a breach between us, upon a collateral point. They would rejoice, if able to say, that I had refused to perform a duty purely executive, and had been removed for refusing. In truth, however incorrect the course of the President was, the present did not appear to be the fit occasion to notice it. The mission of an agent, to make inquiry, I had no right to resist; nor could I dictate, what should or should not be the nature of his inquiry. It was only as to the removal of the deposites, that I could exercise an independent discretion. As to retirement, it was contemplated in sincerity, and under a persuasion that there was and would be fairness all round. But it became questionable, whether an agreement to retire was obligatory, under an opposite state of things. Finally concluding, that doubts on this point might be reserved, and that public considerations demanded a sacrifice of my present feelings, I sent the instructions to the agent, on the 23d of July, and resolved to await the event.

CHAPTER IX.

Soon after the departure of his agent, the President himself left Washington; and both returned about the 25th of August. In the interval, but one incident occurred, which I am disposed now to notice; and I am so inclined, because, in March 1834, it was the subject of public animadversion. At that time, the official paper asserted, that, prior to the 8th of September, 1833, I had proposed to the executive, to remove the deposites, in case congress should not act upon the subject. This I considered it my duty to contradict publicly, by showing what really had occurred.

While the President was absent, some conversation, concerning the subject of the deposites, took place between some of the members of the cabinet; and, at length, early in September, when it was known, that I persisted in my refusal to remove the deposites, and even hesitated about resigning, a middle course was suggested to me. I was asked, whether I would fix a day, on which I would remove the deposites, after the meeting of congress, in case they should not act upon the subject. After an anxious conversation, with the secretary of state, at his instance, and, as I supposed, with a view to explanation between him and other members of the cabinet, I wrote and sent to him a note, of which the following is a copy, to which were prefixed certain extracts, on the subject of the deposites, therein referred to:

"*September* 8, 1833.

"'Dear Sir.—The foregoing are the extracts, the force of which you consider greater than I do. My conviction has been and is, that *no cause* for a change of the depository *does exist*, such as warrants the exercise of the power of the secretary of the treasury; that *until adequate cause to change shall arise*, it will be his duty to deposite as at present, unless congress shall otherwise direct: so that I can give no assurances but these—I will change the depository as soon as congress shall direct me to do so, or as soon as such cause shall arise as will in my judgment justify the act: but if congress shall not sanction a removal of the deposites (that is, do so previous to removal) I am not at liberty to say that I will act at a given time, for I do not know that at that time there will be any more cause than there is now for a change.

"'This is the result of reflection since I saw you last evening. I will respectfully and without bias listen to what may be said hereafter, but I have no expectation of varying in the least from my present position. I am willing, and ready, and anxious to go home, as soon as the President shall say such is his preference, rather than do what I should ever after regret and condemn.

"'Most kindly and respectfully, your's,

"'W. J. DUANE.

"'HON. L. M'LANE, &c.'"

The official paper, of the 24th of March, 1834, called the accuracy, of my statement, in question; stating, that, it had before, and then had, assurances from all the members of the cabinet, disclaiming all knowledge, on their part, of the above letter. Upon the appearance of this publication, the secretary of state, out of respect for truth, as well as for himself, spontaneously caused the following communication, to be published in the official paper; thus falsifying its statement, and corroborating mine, in all material respects—expressing doubt only, as to whether my communication had been made, orally or in writing:

"*Washington, March 25th*, 1834.

"To MR. BLAIR, *Editor of the Globe.*

"In an editorial article in the 'Globe' of yesterday, relative to a recent letter of Mr. Duane to the Commercial Intelligencer, it is among other things, stated, 'that we had assurances from all the members of the cabinet, disclaiming any knowledge on their part, of the letter to which Mr. Duane has referred,' &c.; and it is also stated, 'such assurances we now have.'

"Being disappointed in the expectation, that the 'Globe' of this morning would have contained such an explanation as would remove the misapprehension, which the statement is calculated to produce, I deem it proper to inform the public, that I have at no time had any personal or written communication with the editor of the 'Globe' on the subject, and have given him no assurances in regard to Mr. Duane's letter. It is true that, upon one occasion, immediately after the appearance of Mr. Duane's sixth letter, I stated to one gentleman, in answer to an inquiry from him, that I had then no recollection of receiving from Mr. Duane such a letter as he had referred to, but that it was not impossible that he had written, and that I had received it; because I remembered that I had held with him the conversation to which he alluded, and that, remaining silent at the time, he returned me the next morning, or soon afterwards, an answer—according to

my recollection, a verbal one—substantially the same as that which it was asserted his letter contained. On the same occasion, I particularly urged that no notice should be taken of it in the 'Globe.'

"I have only to add, that since Mr. Duane's recent letter, I have given no assurances to any one, nor expressed any doubt that Mr. Duane wrote the letter according to his statement; but neither that letter, nor any thing that passed between Mr. Duane and myself on the subject, was communicated by me to the President.

"I am, your obedient servant,

"Louis M'Lane."

CHAPTER X.

A short time after the return of the President's agent, he sent to the treasury department, his report and various documents; which I submitted to the President, with the following note:

To the President of the United States.

Treasury Department, September 9, 1833.

Sir.—On the 23d of July, I sent to Mr. Kendall, the agent whom you had designated, the prescribed instructions, for ascertaining, whether the state banks would agree to become the agents of the government, on the terms proposed, for the safe-keeping and transmission of the public money.

I have the honour, to lay before you the agent's report, together with the correspondence, that took place in the course of his mission; and shall be at any time ready, to co-operate in the contemplated full consideration of all matters, connected with the employment of a fiscal agent.

With great respect,
Your obedient servant,
W. J. Duane.

The mission of the agent was abortive, in all the particulars, which had been deemed essential. The plan of bank agency, which the President had considered the only safe one, was, I believe, unanimously rejected. The answers of some of the banks, willing to act, showed, that they ought not to be trusted. Several of the most substantial institutions refused to act as fiscal agents, under any circumstances. The materials (paragraph o,) from which the condition of the banks was to be ascertained, had been very imperfectly furnished. Some of the banks answered, that the proposed plans were impracticable. Others pointed out the fallacy of the means suggested for the security of the public money. Others denied, that state banks could give such facilities as government required. The banks, most ready to become depositories, showed the least ability to pay their own responsibilities in coin. Yet, it was into this chaos, that I was asked to plunge the fiscal concerns of the country, at a moment when they were conducted, by the legitimate agent, with the utmost simplicity, safety and despatch.

On the 10th of September, the cabinet convened; all the members present, but Mr. Barry. After a pause the President spoke as follows:

"GENTLEMEN—I have got here (holding up a paper) the report of the agent on the deposite question, and I want to call your attention to it. The first question is, whether the state banks are safe places to put the public moneys in. The next is, whether, if they are, it is not our duty to put them there—whether we are not called upon by the late disclosures, of the corrupt conduct of the U. S. bank, to cast off the connexion at once. This is an important business. You know I have long had it in agitation, and what took place in congress. I deemed it my duty to ask your opinions; and, although I mentioned to Mr. Duane, that the subject was under consideration, I must, in justice to myself as well as to him, say, I did not think it proper, before his appointment, to explain to him my views. But after doing so, I did think it due to our country, that we should go on. The present is a most serious state of things. How shall we answer to God, our country or ourselves, if we permit the public money to be thus used to corrupt the people? Observe, I do not want immediate action, but I desire a day to be fixed. Nor do I want to touch a dollar of the money that is in bank; but I do want that the money, coming in, may be put where it will be safe, and not used for purposes of so infamous a kind. I want harmony in my cabinet. I am well pleased with you all. I want to go unitedly in this solemn duty. The former conduct of the bank, in its corrupt loans, in its attempts to depreciate the credit of the country, its whole corrupt state, justified our acting:—but the last disclosures leave us no excuse for further delay. The country will reproach us if we do not go on. By the last resolution of the bank, the whole of its funds may be employed for corrupt purposes; and remember, that, for a part of the sum spent, no explanation or voucher is given; that it was by accident one of the directors, Mr. Wager, noticed this monstrous abuse. And give me leave to tell you, that this is a small part, could the truth be got at. I anxiously desire, then, that we should at last do something. This report, if you put confidence in it, and I think you may, shows the readiness of the state banks to take the public money; and their ability and safety as substitutes for the present agent. Why, then, should we hesitate? Why not proceed, I say, as the country expects us to do? Here are

the papers. When you have read them, let us come to an understanding."

When the President had concluded, I thanked him for alluding to my position, as I desired it to be understood, that, until after my entry into office, I did not know that a removal of the deposites was contemplated, without further action by congress.

The President then handed the report and papers of the agent, to the secretary of state, and we separated.

In the letters, which I addressed to my fellow citizens, early in 1834, in vindication of my conduct in office; I placed myself, I trust, beyond the reach of aspersion. Nevertheless, it may be improper now to pass over all the incidents, which occurred at the time, at which I have arrived in the present narrative.

As soon as the occurrences, alluded to in the eighth chapter, took place, my confidence in the sincerity of the President began to waver. It appeared to me, that, although my retirement, in a manner not dissatisfactory to myself, might be aimed at; means were taken, at the same time, to prevent clamour at my expulsion from office, should that take place. With the latter object, I was assailed simultaneously in the semi-official newspapers, at Concord, Boston, Albany, New York, Trenton and Cincinnati, especially; and it was at the same time intimated to me, that the agent to the state banks had stimulated such attacks. As I had not tangible evidence on the latter point, I was not disposed to make a specific appeal to the President about it. Nevertheless, utter silence seemed to be improper, and to favour the views of his clandestine associates. Accordingly, I resolved to have as full an explanation as, under the circumstances, could be obtained. With that view, I waited upon him on the 14th of September, and a long conversation took place. I opened it by saying, that the President could not but be aware, that I was then every day assailed in leading papers of the administration; that it had been intimated to me, that the purity of my motives had been called in question by persons in his confidence; and that I wished him to say frankly, whether there existed any complaint or doubt on his own part. It is impossible to describe the earnestness of the President's professions, in reply. He declared that no one had attempted to shake his confidence; that it remained as it ever had been; that he regretted even a difference in opinion between us; and that he would put all doubt at rest, by con-

ferring on me the highest appointment then at his disposal. This he mentioned twice in the course of our conversation, saying, he had meditated a change from one honourable station to another, not only as an act proper in itself, but in order to do what would be satisfactory to myself and friends. To these intimations I replied, that I was pleased to find that the President's confidence continued undiminished, but that I had no desire for office or any ambition to gratify.

Within half an hour after this conversation took place, I wrote an account of it, which is now before me; followed by my reflections at the moment. Before the interview, to which I have just alluded, it had been intimated to me, that the President meant to offer me another station; and, I confess, the question presented itself, whether this intention was with a view to render my voluntary retirement certain, or really was a mark of true regard. My inclination was in favour of the most charitable interpretation; and yet with that, I could not reconcile the silence and inactivity of the President, while I was daily assailed in semi-official newspapers. I am not aware that I have at any time so expressed myself as to do him injustice on this point; yet I think it proper to say, that I now believe he supposed I had made up my mind to resign, and that by a new appointment he meant to render the change innoxious to my feelings and interest.

On the 17th of September, the members of the cabinet again assembled. The President opened the proceedings by saying, that he trusted advantage had been taken of the time, which had passed since the preceding meeting, maturely to consider what he had then said. Then, addressing himself to the secretary of state, he asked his opinion as to the propriety of a speedy change of the place of public deposite. Mr. M'Lane at once proceeded to state his objections, in detail, in an emphatic and lucid manner. When the secretary of state had closed, the President put the same question to me; and I simply answered, that I desired to have the whole subject presented in the clearest light before congress—that I had full confidence in their desire as well as ability to correct abuses, and avert the mischiefs referred to by the President—that I deprecated the proposed connexion with state banks—and apprehended serious evils to the public, in case the contemplated change should be made. The secretary at war, when appealed to, said, "You

know, sir, I have always thought, that the matter rests entirely with the secretary of the treasury." The secretary of the navy entered into an explanation of the opinion, which he had given in April, against a removal of the deposites prior to the summer of 1834. Although he had then considered an earlier change injudicious, he must now go with the President. The attorney-general barely said, that he had been from the beginning for an immediate change, and was now more than ever for it.

The President then said, "Gentlemen—I desire to meet you to-morrow, and will then make known my own views."

On the next day, the members of the cabinet accordingly assembled, and the President caused his secretary to read to them the document, subsequently so well known as "the paper read to the cabinet on the 18th of September."

Very little, if any thing, was said after the paper had been read. As those present were retiring, I approached the President, and asked him to allow me to take and read his exposition. He directed his secretary to deliver it to me, and he did so. I then asked the President, whether I was to understand him as directing me to remove the deposites? He replied, that it was his desire, that I should remove them, but upon his responsibility; adding with great emphasis that, "if I would stand by him it would be the happiest day of his life."

When I retired, I had to consider, not merely whether I ought to remove the deposites, but whether I should resign. I was sensible that I had erred in giving any assurance on the latter point, and doubted whether subsequent occurrences had not absolved me from all obligation to respect it. I desired to avoid a surrender of an important post, and yet wished to part from the President without unkind feeling. It had occurred to me, that I might accomplish both these ends by asking for a written expression of the President's wish that I should retire; and, in giving me such a memorandum, I did not perceive that there would be any committal of himself. It seemed to me that, assailed as I had been and menaced with new attacks, the President, if really my friend, would not desire to tie up my hands.

I was reflecting upon these points, when, early on the morning of the 19th of September, the President sent to inquire, whether I had come to a decision. I replied* that I would communicate it on the 21st. On the morning of the same day

* See page 111.

(19th), the President's secretary called on me to state, that the President had determined to announce the decision on the deposite question, in the Globe of the next day. He then proposed to read to me a paper prepared for that purpose; but I refused to listen to it, stating that I had the President's exposition then before me, and was preparing a defensive paper on my own part; that the President ought to wait one day longer to enable me to present that paper, and to say finally whether I would or would not concur with him; and that any such publication in the Globe, as was proposed, would be a gross indignity to me as an officer and a man. The secretary said, he believed the President would proceed; that the New York Evening Post was urging a decision; and that, as to himself, he had no wish to express. I then at once wrote and delivered to him, a remonstrance against the proposed publication.* Nevertheless, on the following day (20th) it appeared in the Globe, as follows:

"We are authorized to state that the deposites of the public money will be changed, from the bank of the U. S. to the state banks, as soon as necessary arrangements can be made for that purpose, and that it is believed they can be completed in Baltimore, Philadelphia, New York, and Boston, in time to make the change by the 1st of October, and perhaps sooner, if circumstances should render an earlier action necessary on the part of the government.

"It is contemplated, we understand, not to remove at once, the whole of the public money now in deposite in the bank of the U. S., but to suffer it to remain there until it shall be gradually withdrawn by the usual operation of the government. And this plan is adopted in order to prevent any necessity, on the part of the bank of the U. S., for pressing upon the commercial community; and to enable it to afford, if it think proper, the usual facilities to the merchants. It is believed, that by this means the change need not produce any inconvenience to the commercial community, and that circumstances will not require a sudden and heavy call on the bank of the U. S., so as to occasion embarrassment to the institution or the public."

As soon as I read the above quoted annunciation in the Globe, I put aside the defensive exposition which I had been preparing; and, on the 21st of September, wrote and personally delivered to the President the annexed letter. The conversation, which took place on the occasion, was long and occasionally animated. The following brief sketch of a part of it will suffice for the purposes of the present narrative:

* See page 111.

Secretary. I have, at length, waited upon you, sir, with this letter.

President. What is it?

S. It respectfully and finally makes known my decision, not to remove the deposites, or resign.

P. Then you do not mean, that we shall part as friends.

S. The reverse, sir, is my desire; but I must protect myself.

P. But you said you would retire, if we could not finally agree.

S. I indiscreetly said so, sir; but I am now compelled to take this course.

P. I have been under an impression that you would resign, even as an act of friendship to me.

S. Personal wishes, sir, must give way. The true question is, which must I observe, my promise to execute my duty faithfully, or my agreement to retire, when the latter conflicts with the former?

P. I certainly never expected that any such difficulties could arise between us; and think you ought still to consider the matter.

S. I have painfully considered it; and hope you will not ask me to make a sacrifice. All that you need is a successor, and him you may have at once.

P. But I do not wish to dismiss you. I have too much regard for yourself, your family and friends, to take that course.

S. Excuse me, sir, you may only do now what you said, in your letter of the 22d of July, it would be your duty to do, if I then said I would not thereafter remove the deposites.

P. It would be at any time disagreeable to do what might be injurious to you.

S. A resignation, I think, would be more injurious. And permit me to say, that the publication in yesterday's Globe removes all delicacy. A worm if trodden upon will turn. I am assailed in all the leading papers of the administration; and if my friend, you will not tie up my hands.

P. Then, I suppose you mean to come out against me.

S. Nothing is further from my thoughts. I barely desire to do what is now my duty; and to defend myself if assailed hereafter.

[Here the President expatiated on the late disclosures in relation to the bank, the corruptibility of congress, &c.; and at length taking a paper from his drawer said]

P. You have been all along mistaken in your views. Here is a paper that will show you your obligations—that the executive must protect you.

S. I will read it, sir, if such is your wish, but I cannot anticipate a change of opinion.

P. A secretary, sir, is merely an executive agent, a subordinate, and you may say so in self-defence.

S. In this particular case, congress confers a discretionary power, and requires reasons if I exercise it. Surely this contemplates responsibility on my part.

P. This paper will show you, that your doubts are wholly groundless.

S. As to the deposites, allow me, sir, to say, my decision is positive. The only question is as to the mode of my retirement.

P. My dear Mr. Duane; we must separate as friends. Far from desiring, that you should sustain any injury, you know I have intended to give you the highest appointment now in my gift. You shall have the mission to Russia. I would have settled this matter before, but for the delay or difficulty [as I understood the President] in relation to Mr. Buchanan.

S. I am sincerely thankful to you, sir, for your kind disposition, but I beg you to serve me in a way that will be truly pleasing. I desire no new station, and barely wish to leave my present one blameless, or free from apprehension as to the future. Favour me with a written declaration of your desire, that I should leave office, as I cannot carry out your views as to the deposites, and I will take back this letter [the one I had just presented].

P. Never have I had any thing, that has given me more mortification than this whole business. I had not the smallest notion that we could differ.

S. My principles and opinions, sir, are unchanged. We differ only about time—you are for acting now, I am for waiting for congress.

P. How often have I told you, that congress cannot act until the deposites are removed.

S. I am unable, sir, to change my opinion at will upon that point.

P. You are altogether wrong in your opinion, and I thought Mr. Taney would have convinced you that you are.

S. Mr. Taney, sir, endeavoured to prevail on me to adopt his views, but failed. As to the deposites, I barely desired a delay of about ten weeks.

P. Not a day—not an hour; recent disclosures banish all doubt, and I do not see how you can hesitate.

S. I have often stated my reasons. Surely, sir, it is enough that were I to act, I could not give reasons satisfactory to myself.

P. My reasons, lately read in the cabinet, will release you from complaint.

S. I am sorry I cannot view the subject in the same light.

Our conversation was further extended, under varying emotions on both sides; but without any change of opinion or decision—at length I retired, leaving the following letter:

CHAPTER XI.

Treasury Department, September 21*st*, 1833.

To the PRESIDENT OF THE UNITED STATES.

SIR.—I have the honour to lay before you:

1. A copy of my commission, empowering and enjoining me to execute my duty according to law, and authorizing me to hold my office at your pleasure.

2. A copy of my oath of office, wherein I solemnly pledged myself to execute the trust committed to me with fidelity.

3. A copy of the 16th section of the law chartering the bank of the U. S., whereby the discretion, to discontinue the deposites of the public money in that bank, was committed to the secretary of the treasury alone.

4. An extract from your letter to me of the 26th of June, wherein you promise not to interfere with the independent exercise of the discretion, committed to me by the above mentioned law over the subject.

5. An extract from your exposition of the 18th inst., wherein you state, that you do not expect me, at your request, order, or dictation, to do any act which I may believe to be illegal, or which my conscience may condemn.

When you delivered to me, on the 18th inst. the exposition of your views, above referred to, I asked you whether I was to regard it as a direction by you to me to remove the deposites. You replied that it was your direction to me to remove the deposites, but upon your responsibility; and you had the goodness to add, that if I would stand by you, it would be the happiest day of your life.

Solemnly impressed with a profound sense of my obligations to my country and myself, after painful reflection and upon my own impressions, unaided by any advice such as I expected, I respectfully announce to you, sir, that I refuse to carry your directions into effect:

Not because I desire to frustrate your wishes; for it would be my pleasure to promote them, if I could do so consistently with superior obligations:

Not because I desire to favour the bank of the U. S., to which I have ever been, am and ever shall be opposed:

Not to gratify any views, passions or feelings of my own—but

1. Because I consider the proposed change of the depository, in the absence of all necessity, a breach of the public faith.

2. Because the measure, if not in reality, appears to be vindictive and arbitrary, not conservative or just.

3. Because, if the bank has abused or perverted its powers, the judiciary are able and willing to punish; and in the last resort, the representatives of the people may do so.

4. Because the last house of representatives of the United States pronounced the public money in the bank of the U. S. safe.

5. Because, if, under new circumstances, a change of depository ought to be made, the representatives of the people, chosen since your appeal to them in your veto message, will in a few weeks assemble, and will be willing and able to do their duty.

6. Because a change to local and irresponsible banks will tend to shake public confidence, and promote doubt and mischief in the operations of society.

7. Because it is not sound policy in the Union, to foster local banks, which, in their multiplication and cupidity, derange, depreciate, and banish the only currency known to the constitution, that of gold and silver.

8. Because it is not prudent to confide, in the crude way proposed by your agent, in local banks; when, on an average of all the banks, dependent in a great degree upon each other, one dollar in silver cannot be paid for six dollars of the paper in circulation.

9. Because it is dangerous to place in the hands of a secretary of the treasury, dependent for office on executive will, a power to favour or punish local banks, and consequently make them political machinery.

10. Because the whole proceeding must tend to diminish the confidence of the world in our regard for national credit and reputation; inasmuch as, whatever may be the abuses of the directors of the bank of the U. S., the evil now to be endured must be borne by innocent persons, many of whom, abroad, had a right to confide in the law that authorized them to be holders of stock.

11. Because I believe that the efforts made in various quarters to hasten the removal of the deposites, did not originate with patriots or statesmen, but in schemes to promote selfish and factious purposes.

12. Because it has been attempted by persons and presses, known to be in the confidence and pay of the administration, to intimidate and constrain the secretary of the treasury, to execute an act in direct opposition to his own solemn convictions.

And now, sir, having with a frankness that means no disrespect, and with feelings, such as I lately declared them to be, stated to you why I refuse to execute what you direct; I proceed to perform a necessarily connected act of duty, by announcing to you, that I do not

intend voluntarily to leave the post, which the law has placed under my charge; and by giving you my reasons for so refusing.

It is true, that, on the 22d of July, you signified in language sufficiently intelligible, that you would then remove me from office, unless I would consent to remove the deposites, on your final decision. It may also be true that I should then have put it to the test; and it is also true, that under a well grounded assurance, that your bank plan, the only one then embodied in the instructions drawn up by me for your agent, would be, as it proved, abortive, that for this and other causes, you would be content, I did state my willingness to retire, if I could not concur with you.

But I am not afraid to meet the verdict of generous men, upon my refusal, on reflection, and after what has since occurred, to do voluntarily what I then believed I never should be asked to do. If I had a frail reputation, or had any sinister purpose to answer, I might be open to censure, for a neglect of punctilious delicacy; but I can have no impure motives, much less can I attain any selfish end. I barely choose between one mode of retirement and another; and I choose that mode, which I should least of all have preferred, if I had not exalted and redeeming considerations in its favour.

I have, besides, your own example: I do not say, that, after you had promised "not to interfere with the independent exercise of the discretion vested in me by law," you were wrong in interfering, if you really thought the public welfare a superior consideration to a mere observance of assurances made to me; nor can you say that I err, when, upon a solemn sense of duty, I prefer one mode of removal from this station to another.

The course is due to my own self-preservation, as well as to the public; for you have in all your papers held out an assurance, that you would not "interfere with the independent exercise of the discretion committed to me by law" over the deposites; and yet, every thing but actual removal of me from office, has been done to effect that end. So that, were I to go out of office voluntarily, you might be able to point to official papers, that would contradict me, if I said you interfered; and I should thus be held up as a weak and faithless agent, who regarded delicacy not shown to himself more than duty to his trust.

Sir, after all, I confess to you, that I have had scruples, for it is the first time that I have ever condescended to weigh a question of the kind; but I am content, that it shall be said of me, that in July last I forgot myself and my duty too, rather than that it should be said, that, now, knowing the course that you pursue, I had in any way favoured it. On the contrary, if I have erred, I am willing to be reproved, but my motives no man can impugn.

My refusal to resign cannot keep me one moment longer than you please in an office that I never sought, and at a removal from which I shall not grieve on my own account; it must, on the contrary, hasten my exit. So that, if you shall proceed in wresting from the secretary of the treasury the citadel in his possession, the act can only be accomplished by a mandate, which will be my apology for no longer standing in the breach.

And now, sir, allow me to repeat to you in sincerity of heart, that, in taking the present course, under a solemn sense of my obligations, I feel a sorrow on your account, far greater than on my own. I have been your early, uniform, and steadfast friend; I can have no unkind disposition, but shall cherish those of a kind nature that I feel. You proudly occupy the hearts of your countrymen; but still it is the lot of humanity at times to err. I do ample justice to your motives, but I am constrained to regret your present proceedings; and I devoutly wish that you may live to see all my forebodings contradicted, and your measures followed by results beneficial to your country, and honourable to yourself.

With the utmost consideration, your obedient servant,

W. J. DUANE.

Washington, September 21, 1833.

To the SECRETARY OF THE TREASURY.

SIR.—After you retired, I opened and read the paper you handed to me: I herewith return it as a communication which I cannot receive. Having invited the free and full communication of all your views, before I made up a final opinion on the subject, I cannot consent to enter into a further discussion of the question.

There are numerous imputations in the letter, which cannot, with propriety, be allowed to enter into a correspondence between the President and the head of a department. In your letter of July last, you remark—"But if, after receiving the information and hearing the discussion, I shall not consider it my duty, as a responsible agent of the law, to carry into effect the decision that you may then make, I will, from respect to you and for myself, afford you an early opportunity to select a successor, whose views may accord with your own on the important matter in contemplation." My communication to my cabinet was made under this assurance received from you; and I have not requested you to perform any thing which your sense of duty did not sanction. I have merely wished to be informed, whether, as secretary of the treasury, you can, consistently with your opinion on the subject of the deposites, adopt such measures in relation to them, as in my view the public interests and a due execution of the

laws render proper. If you will now communicate that information, it will confer an obligation on

Your obedient servant,

ANDREW JACKSON.

[Upon the receipt of the foregoing note, I wrote an acknowledgment, which I withdrew, to change its phraseology, and sent the following in lieu of it.]

Treasury Department, September 21st, 1833.

To the PRESIDENT OF THE UNITED STATES.

SIR.—As you had not, in any written communication, given a direction as to the deposites; but, on the contrary, had left the action to the secretary of the treasury, as a matter of option, I deemed it my duty, when I had the honour to receive from you, your exposition of the 18th inst., to ask you, whether I was to consider myself directed, to remove the deposites; and you replied that I was directed, on your responsibility.

I was preparing to lay before you, an exposition of our relative position and views, from the first moment of my entry into your administration, when your decision was authoritatively announced in the Globe,—a proceeding unsanctioned by me, that rendered all further discussion needless, and any attempt of the kind derogatory to myself.

A communication, justificatory of my course under present circumstances, which I delivered to you this day, having been returned, on account of alleged objectionable matter therein, the presence of which, if disrespectful, I regret; it now becomes my duty, in reply to your letter returning that communication, respectfully to announce my unwillingness to carry your direction as to the deposites into effect; and in making known that decision, without meaning any sort of disrespect, to protect myself, by protesting against all that has been done, or is doing, to divest the secretary of the treasury, of the power to exercise, independently of the President, the discretion committed to him by law over the deposites.

I have already, sir, on more than one occasion, and recently, without contradiction, before the cabinet, stated that I did not know, until after my induction into office, that you had determined, that the deposites should be removed without any further action by congress. If I had known that such was your decision, and that I should be requested to act, I would not have accepted office. But, as soon as I understood, when in office, what your intention was, I sought for all information, calculated to enable me to act uprightly, in the embarrassing position, in which I was unexpectedly placed.

You were so good as to transmit to me, to that end, from Boston, not only the opinions of the members of the cabinet, but your own views in detail, upon the deposite question; but, instead of intimating to me, that my disinclination to carry those views into effect, would

be followed by a call for my retirement, you emphatically assured me, in your letter of the 26th of June, that you "did not intend to interfere with the independent exercise of the discretion, committed to me by law over the subject."

Fully confiding in the encouragement thus held out, I entered into an exposition of my objections to the proposed measure. Discussion ended in an understanding, that we should remain uncommitted, until after an inquiry, which your agent was to make, should be completed, and until the discussion of the subject in the cabinet. But pending the preparation for the inquiry, I received your letter of July 22d, conveying what I understood to be an intimation, that I must retire, unless I would then say, that I would remove the deposites, after the inquiry and discussion, in case you should then decide to have them removed.

I would have at once considered this letter as an order to retire, and would have obeyed it, if I had not thought it my duty to hold the post entrusted to me, as long as I could do so with benefit to the country, and without discredit to myself. Instead, therefore, of retiring voluntarily or otherwise, I subjected my feelings to restraint, and stated, as you quote in your letter of this day, that, if I could not, after inquiry and discussion, as the responsible agent of the law, carry into effect the decision that might be made, I would afford you an opportunity to select a successor, &c.

Under these circumstances, the inquiry was entered upon. It ended in showing, as I had predicted, that the plan submitted to me on the 26th of June, was impracticable; and, in a report, without any defined substitute, according to my comprehension of it.

After a consideration of the subject in the cabinet, you gave directions as stated at the commencement of this letter; and I wrote to you, that I would make a communication to you on Saturday the 21st instant, and I accordingly did so, as hereinbefore stated.

Unto the present time, therefore, I have been struggling, under painful circumstances, not to retain a post that I never sought, and the loss of which I shall not regret on my own account, but, to maintain it for the country, under a serious sense of duty to it, and to avert a measure that I honestly feared might affect yourself.

Without entertaining, or desiring to manifest towards you, sir, the slightest disrespect, but solemnly impressed with a consideration of my responsibility to the country, and my duty to myself, I now definitely declare, that I will not in any way aid or assist, to cause the public money to be deposited in any other institution, bank, or place, than that provided by the 16th section of the Act chartering the U. S. bank, until congress shall direct or authorize such change to be made, unless good cause shall arise, such as, in my judgment, does not now exist.

I am further constrained, owing to occurrences and circumstances, that in part have come to my knowledge, or have taken place of late, to leave it to you, sir, to determine, whether I am, or am not, any longer to remain a member of your administration.

I sincerely hope, sir, that you will consider, that I owe it to myself, my family, and my friends, not to leave my course, at this most trying moment of my life, open to doubt or conjecture; that my conduct has already sharpened the dagger of malice, as may be seen in the public prints; that you, who have been assailed, in so many tender parts, and in whose defence I have devoted many a painful day, ought to make allowance for me, in my present position; that were I to resign, I could meet no calumniator, without breach of duty; that I ask such order or direction from you, in relation to my office, as may protect me and my children from reproach, and save you and myself from all present and future pain; that I desire to separate in peace and kindness; that I will strive to forget all unpleasantness, or cause of it, and that I devoutly wish, that your measures may end in happiness to your country, and honour to yourself.

With the utmost consideration, your obedient servant,

W. J. DUANE.

Treasury Department, September 21, 1833.

To the PRESIDENT OF THE UNITED STATES.

SIR.—Allow me, with great respect, to present to you another view, in addition to those stated in my letter of this date.

If I understand your wish, as it is to be collected from your note of this date, which I have just now again perused, it is to hold me, upon principles of delicacy at least, to my assurance of July 22d, that unless I agreed with your decision, after inquiry and discussion, I would promptly afford you an opportunity to obtain a successor, according in your views.

I pray you dispassionately to consider, whether you did not absolve me, even upon principles of delicacy, from all obligations, upon this view of the matter.

1. On Wednesday, September 18th, I signified in cabinet, my desire to take and examine your exposition; and you gave it to me, saying, in reply to my inquiry as to your direction, that I was to consider myself directed to act, on your responsibility.

2. On Thursday morning, September 19th, you applied to me, to know if I had come to a decision, and I returned by your messenger, who brought your note, this reply:

"To the PRESIDENT OF THE UNITED STATES.

"SIR.—Upon a matter that deeply concerns, not only myself, but all who are dear to me, I have deemed it right, as I have not a friend here to advise with, to

ask the counsel of my father* at this crisis: I wrote to him last night, and am sure that nothing but sickness will prevent his presence to-morrow night: on the next day I trust that I shall be able to make a communication to you.

With the utmost respect, your obedient servant, W. J. DUANE.

"*September* 19*th*, 1833."

3. On the same day, Thursday, the 19th of September, your private secretary, Major Donelson, called on me to say, that you proposed to publish, in the Globe of the next day, your decision. I replied, that I thought you ought not; that I was not a party to it; and as a matter of delicacy to myself, could not approve of it.

Lest words should be forgotten, I wrote and delivered to Major Donelson this reply:

"A. J. DONELSON, ESQ.

"DEAR SIR.—The world is so censorious, that I am obliged, upon reflection, to express to you my hope, that you will not regard me as approving of any pub-

* If I had consulted Col. Duane, and had removed the deposites or resigned, the partisans of the executive would have extolled my conduct, as an instance of filial piety: but, as I would not remove the deposites or resign, they ridiculed my desire to consult him. This was the more remarkable, because the President himself had not only requested Col. Duane's opinions, but had, in several instances urged me to consult him. Nevertheless, when thus rebuked, in 1834, I was silent. On a recent occasion, however, I felt myself called upon to allude to this subject; and to show, that, while I was in office, Col. Duane had sanctioned my own spontaneous inclination, to refuse to remove the deposites, or resign; and from the letter, written on the occasion referred to, I am induced to make the following explanatory quotations:

"It may be asked, why, after having had, on the two points above alluded to [the removal of the deposites, and the question of resignation] my father's approval of my own preferences, I desired a further conference with him. I answer without disguise. Between the 12th and 18th of September, the President gave me reason to apprehend, that he would insist upon an unconditional surrender; and would not, in writing, ask me to retire. There was a lurking reluctance, on my part, to refuse to resign, after having said that I would. Although released, by the bad faith, with which I had been treated, from the observance of an assurance, which I ought never to have given, I still paused. Such was the state of my feelings, on the 18th of September, when the President's exposition was read to the cabinet, and delivered to me for my decision. I desired to gain time for the purpose, and began to write a defensive exposition on my own part, or of myself for refusing to remove the deposites. While writing it, I certainly looked around, and in vain, for some friendly countenance. I desired to sift the question, whether I should resign, or not. I was anxious that a less excited eye, than my own, should be cast upon my exposition, lest it should contain what I might thereafter regret. And, under the influence of these feelings, I am not ashamed to say, I wished to confer with my father. If there was the least weakness, in this, I am not sensible of it. My feelings were the natural effect, of a deep sense of the value of reputation—a demonstration of struggles, between respect for my country and myself, and my early attachment to the President."

"When I was desirous to confer with my father, the official annunciation, that the deposites would be removed, had not appeared. When the President took that step, on the 20th of September, my scruples vanished—an oppressive weight was removed from my heart—and I spontaneously refused to remove the deposites, or resign."

lication. It would seem to me but delicate to defer such an act, *until I shall either concur or decline.* However, all that I desire to have understood, is, that I do not approve of the course you mentioned. Were I the President, I would consult, at least reasonably, the feelings of a man, who has already anxiety enough. As to the newspapers, they will know what has been done, without an official communication. "Very respectfully, your's,

"W. J. DUANE.

"*September* 19*th*, 1833."

4. In the Globe of Friday, September 20th, you caused it to be announced to the world, that the die was cast; thus altogether disregarding the rights of the secretary of the treasury, and my own feelings and fame; and refusing besides to wait even until the next day to receive my decision.

Allow me, therefore, very respectfully, but confidently to say, that I was thus discharged from any sort of obligation, or respect for, or on account of the past.

You gave me no opportunity to let you know, whether I would or would not afford you an opportunity to choose a successor; in short, the secretary of the treasury was, as far as an executive act could do it, nullified; and I hold, therefore, that after such a course, I may stand before my country, acquitted of any disregard even of delicacy.

Trusting, sir, that you will be so good as to permit this to enter into your consideration, with my former note of this date, and that we may close, without discredit to either, the pending matter,

I am, with the utmost consideration, your obedient servant.

W. J. DUANE.

September 23, 1833.

To the SECRETARY OF THE TREASURY.

SIR.—Since I returned your first letter of September 21st, and since the receipt of your second letter of the same day, which was sent back to you at your own request, I have received your third and fourth letters of the same date. The two last, as well as the first, contain statements that are inaccurate; and as I have already indicated in my last note to you, that a correspondence of this description is inadmissible, your two last letters are herewith returned.

But from your recent communications, as well as your recent conduct, your feelings and sentiments appear to be of such a character, that after your letter of July last, in which you say, should your views not accord with mine "I will from respect to you and for myself, afford you an opportunity to select a successor whose views may accord with your own, on the important matter in contemplation," and your determination now to disregard the pledge you then gave—I feel myself constrained to notify you that your further services as secretary of the treasury are no longer required.

I am, respectfully, your obedient servant,

[Signed.] ANDREW JACKSON.

CHAPTER XII.

THE concluding letter, in the preceding chapter, terminated all intercourse whatever, between the President and myself. Within the five years, which have intervened, I have often read the foregoing correspondence; truly inclined to discover any error of fact or temper, and to avow the discovery, if made. The result, invariably, has been, a persuasion that no just cause of complaint existed. No attempt has been made to confute any of my statements; and, as to my conduct, the preceding letters manifest any thing rather than disrespect for the executive. If I offended at all, it was against myself. The tone of my communications, instead of being excusably indignant, was inexcusably deprecatory.

I remained in Washington, until the 27th of September. In the early part of that day, as I was preparing for my intended departure, about noon; I was informed, that I had been assailed in the official paper. Supposing this to be the case, I wrote a parting letter to the President's secretary, which, I hoped, might check the course of impending proscription. Nothing was more remote from my inclination, than to "come out" against the President; as he termed it, at our last interview. My long silence, under aspersion on one side, and amidst demands for explanation on the other, proved my sincerity in this respect. The only anticipation, which I entertained, was, that there would be an official inquiry; and, until then, I resolved to rest upon my personal reputation and official acts.

The letter, which I thus wrote to the President's secretary, was left in the care of a friend, to be presented or sent to him; and, as soon as I had thus disposed of it, I left Washington. To my surprise, I received an acknowledgment of it, a few days afterwards; an acknowledgment of such a character, that I at once wrote a commentary upon it. I was impressed with a belief, that the reply had been prepared by Mr. Kendall, at the desire of the President; and that it ought not to be regarded as the personal act of Mr. Donelson. Nevertheless, I was so reluctant to say or do any thing, that might in any way affect the latter, that I would not place those letters before the public eye, in my defensive exposition of 1834. If it was fastidiousness, it was an error, which I felt disposed to correct, in the present publication.

Accordingly, I sent, to Mr. Donelson, the commentary, which I had written on the 5th, and 6th, of October, upon the reply,

which he had sent to me, on the 29th of September, 1833. At the same time, however, I intimated, to him, my unwillingness to publish the reply, if it was his own spontaneous act. No answer, to this appeal, having been made, I feel myself justified in presenting the following letter:

"*Washington, September* 27, 1833.

"A. J. DONELSON, ESQ.

"DEAR SIR.—If I had called, personally, to bid you farewell, I know no reason, why you should not have been inclined, to receive that token of my respect kindly. I write to you, however, first, to say 'that word—farewell;' and, secondly, in order that at least one sincere friend of the President may be able to say to him, if proper, what I now mention. I have been told, this morning, that the Globe has already opened a battery upon me. I do not deprecate such a course for my own sake, nor is what I am now going to say to be regarded as a threat. If it is desirable, by the President, that there should be another Berrien campaign, or that our relations should be placed before the public eye—I am ready: but it seems to me, that, in such conflicts, the public reputation suffers; and that injury and insult have been administered to me, in such quantity, as to demand no further aid of that kind. I have, besides, such a fund of good nature; and have been trained up so closely to the rule, of taking no offence at wanton and unmerited assaults; that I do not desire to throw the first stone, or any stones at all; but, as I told the President, on Saturday, 'even a worm, if trampled upon, will turn;' and he must not blame me, if I choose to consider him, and not F. P. Blair, responsible for a continuation of calumny and aspersion. The President, even on Saturday, said things, which I shall not mention here, indicative of the kindest feelings and highest confidence: so that, it would seem to be uncharitable, now to countenance the typographical assassination of a man, who, at great risk, defended the President from such a fate, when he was himself attacked; and whose only misfortune or offence is, that he cannot, or will not, unbelieve, or unthink, as Gallileo did, to escape a dungeon. Rather than remain in the damps of a dungeon, I might say, I unbelieved and unthought; but, thank God, I barely lost office, by declining to make the attempt. I say, I lost no more, for, to the day of his death, the President must, in his heart, applaud my course, and admit me to be an honest man.

"Accept my best wishes for the health, peace, and honour of yourself and family. "Very respectfully, your's, &c.,

"W. J. DUANE."

" *Washington, September* 29, 1833.

"W. J. DUANE, ESQ.

"DEAR SIR.—Your note of the 27th was not received, until yesterday evening, some time after I was informed, that you had left the city for Philadelphia. Had it been received earlier, I should certainly have availed myself of the opportunity it afforded, to hold a personal interview with you; which, I trust, would have resulted in some explanations, that might have been useful, in placing your relations with the President on a more satisfactory footing.

"With the fullest access to the President's feelings and sentiments, on the question of the deposites; and at the various stages of its discussion, both in and out of the cabinet, I cannot be mistaken in saying, that he was at all times friendly to you, and never disposed to doubt the purity and integrity of your motives. There was no indication of a different disposition on his part, until the receipt of your paper, stating finally your reasons for not executing the measure; and I think I may venture to say, without offence to you, when a retrospect is taken of the point at issue, that it is not surprising, he should have been at some loss to account for the manner, in which you disposed of it. You may recollect, that this paper, stating your determination on the subject of the deposites, was not communicated for several days after it was announced to be an executive measure; and, that, among the reasons alleged for your justification, were several, which, having but little to do with the merits of the question, were calculated to impugn the motives of those, who differed from you.

"After he learned, that you had doubts of your power, to act without the consent of congress, the President strove to give his communications, on the subject, such a form as, without interfering with your discretion, was calculated to impress you with the necessity of carrying them into execution. Thus, regarding you as open to conviction, he hoped to obtain your concurrence; and, at the same time, he trusted, that you would see in the delicacy, which he observed, additional proof of his confidence. At all events, he did not doubt, that you would readily reconcile, such a course with his duty, under the circumstances of your appointment: for, it must have been apparent, if he omitted to state to you, when you were called into the cabinet, that he was resolved, on contingencies, which were likely to happen, to take such steps as he might lawfully do to

remove the deposites, he could not allow this omission to prevent the execution of the measure: nor could he suppose that you, as his friend, however much you may have regretted or lamented his determination, would be willing to thwart it, after the most public and solemn annunciation of the reasons, on which it was founded.

"But I beg you to understand, that it is far from my wish to be considered here, as expressing an opinion, one way or the other, on the course which the President pursued, in relation to the question of deposites. I only aim at meeting the suggestions, in your note, respecting the relations, which may be hereafter maintained between yourself and him. And, in this spirit, I feel authorized in assuring you, on the part of the President, that he is not conscious of having injured you, or of having justified the slightest suspension of those feelings, which recommended your call to his cabinet, and which he had hoped would have been the means of extending the theatre of your usefulness to the country. But, on your part, he feels, that justice has not been done to him, in your communications; and that he was warranted in supposing you did not intend to separate as his friend. It is with you, however, to determine, whether this supposition shall be realized, or may be at once banished.

"In answer to the observations you have made respecting the course of the Globe, I can only say, that the President is not responsible for it: nor ought he to be held accountable for the views, which the editor may entertain of your conduct, or his, or for the manner in which he may discuss that of either as a public question. He is satisfied, however, that Mr. Blair will not do yourself or him intentional injustice; and that on this, as on other subjects, connected with the administration, he can have no motive to impair its weight, by fomenting personal differences among its friends, or giving unnecessary publicity to such as may unfortunately exist.

"In conclusion, allow me to assure you, that I feel sensibly the proofs of kindness, which I have received at your hands, and that it will afford me the greatest happiness to be the medium, by which your relations with the President may be put on their old footing.

"With best wishes, for the prosperity and happiness of yourself and family,

"I remain your's, respectfully,

"A. J. DONELSON."

"*Philadelphia, October* 5, 1833.

"DEAR SIR.—On the 3d inst., I received a reply to the note, which I spontaneously wrote to you on the 27th ult. Ostensibly it is your own act, but I cannot consider it really so. The circumstances, without doubt, were these—you communicated, to the President, the note, which I sent to you; and, at his desire, you returned the reply now before me. Considering it the President's letter, therefore, I proceed to comment upon it.

"You are under an impression, that, if there had been an interview between us, prior to my departure from Washington, the relations, between the President and myself, might have been placed on a more favourable footing. Independently of other considerations, the letter before me shows, that such an expectation could not have been realized. For my own part, I had no explanation to give. The true time, for explanation, was on the 21st ult., and I had anxiously availed myself of it. On that occasion, I delivered to the President my letter of that date, and stated its purport. A long conversation ensued, but our respective views were irreconcilable. Finally, to avoid a hostile breach, I offered to take back the letter referred to, if the President would state, in writing, that he desired me to leave the department. This I asked, in order that my lips might not be closed with the official seal, and that I might be free to defend myself, if attacked. But even this he would not grant. Under excitement, he required an unconditional surrender of the post: and, as I refused, it was taken by storm. Private explanation, therefore, a few days after, even if agreeable to me, could have had no effect. All that I desired in the note, which I sent to you, was, that the President should not add injury to injury, by countenancing the calumnious course of the official paper, and even that reasonable request has been evaded or denied.

"In the second paragraph of the letter, which you sent to me, it is confessed, that the President indicated a disposition to be unfriendly, and to doubt the purity of my motives, after I had presented my letter of the 21st ult. This admission is a serious one. It shows the true state of the President's feelings, and also accounts for the shameful course of the official paper. There would have been no hesitation, it seems, in blasting my reputation, if it could have been done! What must be thought of such conduct on the part of the chief magistrate? What

must be thought of the assertion, in a subsequent part of the letter, which you sent to me, that the President is not conscious of having injured me, or justified a suspension of former friendship? When conscious of his innocence, a removed minister may defy open assaults upon his fame; but who is safe, when the executive is willing to whisper away reputation, by indicating a disposition to doubt? The President should have been one of the last to entertain a doubt. He well knew how unwilling I had been to accept office. He is the only individual, whose resentment and whose favour had ever been presented for my choice; and he knew that I had not hesitated in making an election. Had I removed the deposites, I might have remained in office. If I had merely handed to him the key of the treasury, he would have given me the mission to Russia. Instead of arousing suspicion, my resistance, under such circumstances, should have commanded his respect. Of this he seems to be now sensible. If I may confide in his sincerity, he offers an apology for his doubt. He does not pretend, that he had one tangible circumstance warranting doubt. For the colour of an excuse, he is driven to an appeal to myself! I am gravely asked, to take a retrospect of the manner, in which I disposed of the point at issue, and then to say, whether the President had not some reason to be in doubt. I have taken the review suggested, and can find in my conduct no justification for his unfriendly and suspicious indications. Let me, however, scrutinize what is alleged.

"It is, in the first place, said, that my determination on the subject of the deposites, was not communicated, until several days after their removal was announced to be an executive measure. This view of the matter is erroneous. My decision was stated formally in the cabinet, on the 17th ult., and in writing on the 21st. On the 20th the meditated change was made known in the official paper, but not as an executive measure; on the contrary, the public were allowed to suppose, that I concurred in the proceeding, or that it was my own act. It was not until after my retirement, that the change was announced as an executive measure, or that the reasons for it were published. There was, therefore, no thwarting, no unlooked for opposition, such as is hinted at. The only question, on which I hesitated, was, whether I ought or ought not to resign; on that alone did I seek friendly counsel; but even for

that purpose, the President refused to wait one day. He proceeded uninterruptedly throughout, just as if I concurred with him. In June, he indicated September as the time proper for the change, and on the 20th of that month the change was announced.

"It is said, in the next place, that, among my reasons for refusing to remove the deposites, there were several, which were calculated to impugn the motives of those who differed from me. The reasons alluded to are these—

"*Because*, I believe that the efforts, made in various quarters, to hasten the removal of the deposites, did not originate with patriots or statesmen, but in schemes to promote factious and selfish purposes.

"*Because*, it has been attempted, by persons and presses, known to be in the confidence and pay of the administration, to intimidate and constrain the secretary of the treasury, to execute an act in direct contradiction to his solemn convictions."

"These, and my other reasons, for refusing to remove the deposites, were not hastily formed or wantonly uttered. My confidence in their soundness rested upon a mass of circumstances. The President himself could give negative evidence. What patriot, or statesman, or even disinterested person, urged him to remove the deposites? Were the only patriots or statesmen of the country to be found in the banks and clubs of Boston, Albany, New York, Philadelphia, and Baltimore? Did a few individuals at Washington represent the public virtue or private disinterestedness of the Union? The President was exceedingly anxious to have at least a majority of the cabinet with him; and, to gain that object, would undoubtedly have told them, if any patriots or statesmen sustained his course. To my knowledge, no such support was ever given, or appealed to. For my own part, I confidently assert, that of the many persons, who wrote and spoke to me on the subject, there was not one, whose zeal could not be fairly traced to the spirit of faction or of speculation. My belief on this point, therefore, was not factitious or voluntary, but absolute and inevitable.

"With power to send for persons and papers, I am satisfied, that I could establish the existence of a conspiracy, to drive me from office, and to cast suspicion around my conduct, in order to excuse that outrage. The file of the official paper itself is testimony in point. The simultaneous attacks made upon me, in eastern, northern, and western newspapers, sustain my belief. The paragraphs in them were so nearly identical in drift and

phraseology, that they could not have been spontaneous or indigenous. I have no doubt whatever of their origin, at Washington.

"The reasons referred to, therefore, had much to do with the merits of the question. I had a right, I was bound, to avow my dispassionate belief; and I am quite at a loss to conceive, why the President, whose motives I did not call in question, should identify himself with individuals, who should be permitted to rely on their own acts and reputation.

"Considering the manner, in which, in his letters of the 21st ult., the President dwelt upon my refusal to resign, I am surprised at not finding an allusion to it, in the letter which you sent to me. For my own part, I am not willing to pass this point over in silence. The more I reflect upon my decision, the more I am satisfied with it. Good faith and good feeling towards me, I am satisfied, did not exist; or, if they did on the part of the President, they were counteracted and perverted. I was assailed in the official newspaper, and ought not to relinquish the means of self-defence. The annunciation in the Globe of the 20th ult., was such an outrage as subverted all past relations and agreements. These, and other considerations, satisfied me, that I could not be justly rebuked for refusing to resign. But, if no other consideration existed, the one that I am about to mention sustains, in my own breast, the decision to which I came. I erred, in July, in saying I would retire at a future time, for I could not foresee what would then be the state of affairs, and the true nature of my duty. This error in July placed me in this dilemma in September; either, I must observe my oath of office of May, to execute my duty faithfully, or I must observe my assurance of July that I would resign. I refused to resign, because, by resigning, I would violate my duty; and, because, by not resigning, I did injury to no one. The President was not retarded one moment, or in any other way affected. Even if there could have been any unpleasantness in the act of removing me from office, I relieved him from it. To my conduct in this particular, therefore, I look back without regret, and forward without apprehension.

"In the third paragraph of the letter before me, it is said, that the President evinced delicacy towards me, as soon as he learned that I had doubts of my power to act without the consent of congress; that this delicacy was manifested in the form given to his communications; that he could not be expected, however,

out of delicacy to me, to abandon a measure resolved upon, under contingencies likely to happen; and that he had not supposed, I would be willing to thwart him, after a solemn annunciation of the reasons for removing the deposites. Allow me to say, that the basis of this paragraph is a mistake, and that the superstructure is also erroneous. I never had a doubt of my power to act, without awaiting the consent of congress. On the contrary, I was satisfied that I had the power, but ought not to exercise it, because congress had declared the deposites to be safe where they were. It is also incorrect to pretend, that the President did, at any time, prior to the 18th ult., announce, even to the cabinet, a resolution, that the deposites should be removed. The utmost that Mr. Whitney said, and that the President confirmed, was, that he would assume the responsibility of directing the secretary of the treasury to change the depository. Instead of announcing, that the deposites should be removed, whether the secretary concurred or not, the President assured me, in his letter of the 26th of June, that he did not intend to interfere with the independent exercise of the discretion, given to the secretary of the treasury by law. Of whom did he thus confess, that the secretary was independent? surely of every authority but congress. With what propriety, then, can it be pretended, that I thwarted the President, by barely exercising the discretion, with which he promised not to interfere, and which he admitted I might exercise independently? Even the paper read to the cabinet on the 18th ult., avows a respect for the rights of the secretary of the treasury: the President affects to be shocked at its being supposed, that he would urge the secretary to do what his conscience disapproves; but, if the secretary obeys his conscience, he is condemned for thwarting the President!

"A person, unacquainted with the true state of things, might suppose, from the fourth paragraph of the letter under consideration, that I had been writing to the President, to restore former cordiality. My note had no such object. The manner in which he severed our former ties, was so offensive, that any overture on my part, would have been utterly improper. I am incapable of cherishing resentment, but I am not disposed to kiss the hand that smote me. The purpose of my note was to warn the President, that I would hold him publicly accountable for attacks, made upon me, in the official paper; and that I desired no war in disguise or hollow truce, but open hostility or

honest peace. To meet my fancied overture, it is said, obviously on the authority of the President, that he is not conscious of having injured me, or justified a suspension of former feelings; that, on the other hand, my communications warranted a supposition, that I did not intend to separate in friendship; and, finally, that the future state of our relations is to be decided by myself. Upon the face of this, there appears even condescension; and yet I am constrained to say, the appearance is not sustained by the existing reality, any more than by past transactions. As to my own feelings, while in office, I desire no better exposition of them, than my communications that are referred to. I believed that the President had gone astray; but I relied on his honesty of purpose, and struggled to remain his friend. It is true, I did not show this in the way that is so acceptable, and therefore so usual, at Washington, by a servile acquiescence in whatever he said or did. My sense of duty, as a friend, dictated a frank but respectful avowal of my own unbiassed sentiments. If I erred at all, it was in a way opposite to the one complained of. In consideration for the President, I sometimes forgot what was due to myself. Let me now place his conduct in contrast with mine; and, while making the comparison, let it be borne in mind, that, instead of having sought office, I was actually enticed into it.

"It is said to have been meritorious, on the part of the President, and complimentary to myself, that he did not communicate to me, ere I entered office, what was in contemplation as to the deposites; and, I confess, silence would have been honourable to both parties, if it had been suitably followed up. But, when occurrences, after I entered office, are reviewed, I may well consider that to be an injury, which I might otherwise have been proud of. The President ought to have explicitly told me, ere I entered office, what he would expect me to do, under pain of expulsion for refusing; or, having omitted to warn me, he ought not to have pressed me to act in contradiction to my sense of duty. Nor is this all that I may complain of. After I was in office, and he had expressed his own opinions and wishes, he added, that he did not mean to interfere with the independent exercise of the discretion given to me by law, in relation to the deposites. So that, even if I had been told, or had foreseen, ere I entered office, what were his views, he afterwards guaranteed to me the right of independently exercising my own discretion. Let me, then, ask, was it not an injury—

to entice me into office without notice as to the future; then to tell me I might act independently; and then to dismiss me from office for doing so? If this conduct did not warrant even resentment, I must be utterly ignorant of the true nature of an injury.

"Besides—had I not a right to complain, that the first information of the President's past proceedings and future views, was given to me by Mr. R. M. Whitney? Why, if good faith really existed, was friendly, oral explanation, discontinued on July 22d? Why, after the agreement of July 19th, that there should be no commitment, until after the return of the agent, did the letter of July 22d, require me to commit myself? Why, after I said I would resign, in case, after the collection of information, I could not agree with the President, did he forbid the collection of that information, and yet ask me to resign? Why were attacks, made upon me in official newspapers, countenanced? What object could the President have had, in the annunciation in the Globe of the 20th ult., but to hasten my departure from office by that outrage? What could be more offensive, what could more clearly betray anger, than the way in which my letters of the 21st ult., were sent back to me? If the least desire, for such explanation as you refer to, existed, why was it not then manifested? Why was the appointment of my successor announced in a manner so unprecedented?

"In short, I am at a loss to know, what was omitted, that was calculated to sully my reputation, and wound the pride and feelings of myself and family. It is said, indeed, that the President is unconscious of the injustice done me; but, how can this be reconciled even with the confession, alluded to in the early part of this letter, that he had indicated not merely an unfriendly disposition, but a willingness to call my integrity in question? If present declarations are sincere; if the President is ready to brighten the chain of friendship; and if it rests with me, whether this shall be done or not; a singular contrast is thus presented with past transactions. Those declarations certainly are an admission, that I was wronged. The President would not be willing to maintain former relations, if he credited the calumnious insinuations of the official paper. If he is sincere, why does he countenance them? My note to you, sir, of the 27th ult., was an appeal to him. I said boldly, because truly, that to the day of his death, he must believe me to be an honest man. The letter you sent to me, in reply, may be con-

sidered a concession on this point. But what avail those private demonstrations? I asked the President to control the official paper: he replies, that he is not accountable for Mr. Blair, and that Mr. Blair will not do me intentional injustice. After my experience at Washington, I cannot consider the one so irresponsible, or the other so just. The voice of Mr. Blair is usually the echo of the voice of the President; and the mischief consists in the inability to discriminate. I do not complain of the mere insinuations of the official paper, but of the countenance given to them by their appearance in it. In that paper, of the 3d inst., (a week after my appeal to you) you may not find an open editorial attack upon me, but you will find what is much more shameful. In an adopted article, it is insinuated, that my refusal to remove the deposites was the effect of such corrupt influence, as, it is said, made certain editors the present advocates, although they before had been the opponents of the bank U. S. The poison, it is true, is mixed up with various disguises, but its venomous nature is nevertheless apparent. The official paper has no more reason to attribute to me any other than the most virtuous motives, than I have to assert, that Mr. Taney was bribed by the state banks, for doing what I would not do. How can such demonstrations of malignity be reconciled with the President's professions? Would he stand patiently, and witness the assassination of an unarmed man? If not, why does he remain silent, when even a hint to the writers for the Globe, his daily associates, would be imperative? The official paper couples my name with dishonour. The official placard is sent abroad, and circulated widely at home. Suspicion as to myself may affect my children, who are not more innocent than their father. The President sees all this, privately makes bland professions, but declares he cannot be accountable for Mr. Blair, and that Mr. Blair will not be intentionally unjust! How can such contradictions be reconciled? After all, I may not return blow for blow, but surely there is no claim upon my forbearance.

"I have now, October 6th, closed this letter, so far as it has reference to the President. I have had no desire to offend, and hope what I have said may not be the cause of unpleasantness to yourself. Personally I entertain, towards you, kind and respectful feelings only.

"Truly, your's, &c.,

"W. J. DUANE."

[The following is a copy of the letter, in which I enclosed and sent the foregoing one.]

"*Philadelphia, January* 20, 1838.

"A. J. DONELSON, ESQ.

"DEAR SIR.—You are aware, that, in 1834, I addressed several letters to the people of the United States, in vindication of my conduct in office. On that occasion, I would have published the whole of the correspondence between the President of the United States, and myself, on the subject of the removal of the deposites, if all the letters composing it had been in my possession. It was not until July last, however, that I obtained, from the treasury department, copies of such of them as were deficient.

"I am now disposed to put in a tangible, or printed, shape, such unpublished papers, as may elucidate the subject of the deposites, or my conduct in relation to them; and it has occurred to me, that I ought to include the note, which I wrote to you on the 27th of September, 1833; and the reply, dated the 29th, which you sent to me. Nay, I am inclined to go further. When I received the reply, just alluded to, I considered it the President's, and not yours; and, accordingly, wrote a commentary upon it. Hesitation followed, however, and that letter was laid aside. I now intend to add it to the collection, above-mentioned—simply as a commentary, written in 1833, unaltered in substance, and but little changed in phraseology. Ere I carry this intention into effect, however, it seems to be proper, that I should send this commentary to you, to be submitted, if you please, to the President; so that, if the letter of the 29th of September was not written and sent under his direction, its true character may be explained.

"If there is any part of the commentary, which the circumstances, existing in 1833, did not excuse, I regret it. I did not then, nor do I now desire to offend any one.

"If an apology is requisite, for making the printed collection, above-mentioned, it will be found in the natural right of self-defence. The obligation, to preserve life itself, is not more sacred, than that to protect reputation. Time and adverse circumstances have taught me, to review the past dispassionately; and yet, the more closely I examine it, the more sensibly I feel that I was wronged. My object, however, is not to complain, much less to indulge resentment. I barely desire to account for my anxiety to shield my character from injury.

"With this view, it seems to be justifiable to publish the letter of the 29th of September, 1833, especially. Either it was written in the spirit of truth and sincerity, or it was not. All who had any agency, in preparing it, will naturally disclaim any crafty or covert

design. Taking it for granted, therefore, that it was written in good faith, its professions and assertions may be placed side-by-side, or in contrast, with other assertions. For instance, in the Globe of the 7th of February, 1834, it was alleged, that, prior to the 8th of September, 1833, the President had pronounced my effort to put off the removal of the deposites, a 'finesse to favour the bank.' It is, on the contrary, asserted in the letter of the 29th of September, 1833, that, up to the 21st of that month, his confidence in me remained undiminished. Again, in his protest of the 17th of April, 1834, to the senate, the President said, 'other causes existed to justify' my removal from office, besides my refusal to remove the deposites. The letter of the 29th of September, 1833, however, shows, that, after my removal from office, the President was willing to smoke with me the pipe of friendship, if I would consent to bury the hatchet; a willingness utterly irreconcilable with any knowledge of 'other causes to justify' my removal from office.

"These are some of the considerations, which induce me to publish the letter, that you sent to me, and which overcome the scruples, entertained on that point, on a former occasion.

"If I err, in adopting the present mode of accomplishing my object, I hope you will excuse me.

"With respect and regard,

"Your obedient servant,

"W. J. DUANE."

CHAPTER XIII.

The foregoing chapters contain the direct and indirect correspondence, between the President and myself, from June to October, 1833; connected by links of narrative, so as to form a continuous chain.

When, in 1834, I had occasion to address my fellow citizens, I desired to sustain my memory, by my letters, written, while I was in office, to mutual friends of the President and myself; and, as I had not kept copies of them, the originals, at my request, were returned to me. Of these, constituting a sort of diary or record, of my feelings, sentiments, and acts, I was inclined to form another chain; but the number is so considerable, and so much of the substance is already embraced in the preceding narrative, that I now present four only of my familiar letters. These are selected, so as to represent my impressions at four distinct periods. The first letter was written, after I was offered, but before I accepted, office; and shows my reluctance to accept it. The second was written after I accepted, but before I had entered, office; and shows some of my motives, for consenting to serve. The third, written while I was in office, represents my feelings and sentiments, at that time. And the fourth, written after my retirement to private life, shows my impressions at that, to me, interesting moment:

"*Washington, December* 13, 1832.

"——— ——— I have received your letter of the 10th inst. I have not decided [upon the offer of office]. Time has been allowed for consideration at home; and I am unable to predict the result. Mr. Barry's health is very precarious. He is not going to England. Mr. Stevenson is, it is rumoured. The truth is, I have not been off Capitol-Hill, but twice, since I came here; once, for half an hour, on a visit of ceremony to the President; and, on another occasion, to see the secretary of the treasury. My object has been to work hard [as a commissioner under the convention with Denmark], in order to return home, where I am much wanted, such is the state of the family, owing to sickness, &c. Therefore, I see little of what is going on here, and hear less. My mind, besides, has been engrossed and disturbed by the matter above referred to [the offer of office]. My sentiments remain as they were a week ago. The proposal, stript of all that fancy decks it with, is this—

"Please to abandon your business, now yielding an adequate income. Break up house-keeping at Philadelphia, and commence it here. Take your children from the best, to the worst, schools in the Union. Change from simple life and old associates, to gaudy show and new faces, generally with masks. Take your family where medical skill has scarcely a resting place, from the seat of its excellence. If you will do all this, you shall have a large annual compensation——as long as you remain in office! How long that will be depends——on many contingencies! As to whether, on your return to business, you will find the stream dried up, or still flowing——that is not taken into account! Neither can any thing be said about the envy, malice, and slander, to which you may be exposed——for these will be counter-balanced by the honour, and the glory, and the distinction of a high place."

"Really this seems to be a common sense view of the matter. Add to this, *the return home again!* which I cannot better describe than in this way. When Mr. ex-secretary ——— was about to depart from this place, his goods were sold at auction. Happening to be here at the time, and seeing the auction flag at his door, I resolved to pass a vacant half hour at the sale, which had just commenced. I opened a door, on the left side of the hall, into a small parlour; and there, to my surprise, I saw Mr. ——— himself, in a room destitute of all furniture but a few chairs, on one of which he was sitting. The fire was almost out, and beside it a poor cat was sitting, which, I fancied at least, looked condolingly at her master, whose countenance really was cast down. 'The altogether,' as the French say, of this scene, was such, that I was embarrassed, when making an excuse for entering; and I was glad to get off, with this lesson on the blessings of leaving office! In the large drawing-room, I saw the topaz to this ebony of public life. There was Mrs. secretary ——— bidding for silk curtains, and satin-covered chairs, and glistening chandeliers, and other decorations of a minister's abode. She looked delighted with the present, and with the anticipations of the future—a future so unlike the anticipation! * * * * * * Now, I have no notion of such a lottery-business—of such pantomimes, farces, and tragedies! I will write to you again, when I have aught to say, that will interest you. I expect to be at home on the 20th.

"&c., &c."

"*Philadelphia, May* 19, 1833.

"——— ——— I received, last night, your letter of the 12th inst. [alluding to rumours of my appointment.] Mine to you, (at Charleston) written about the same time, will have told you, that the President had offered the appointment to me, and that I had accepted it. You must not suppose, however, that I act-

ed without deliberation. Exactly such scruples, as arose in your mind, presented themselves to my own. The desire of the President was made known to me early in December last, and I did not decide until about two months afterwards. I put, as you did, into one scale my duty as a citizen, and into the other my duty as the head of a large family. Certainly, if injury to my family would have been the probable result, I would not have consented to act; especially as there could not but be very many persons, at least as competent as, probably more suitable than, myself. But on a close scrutiny, I concluded that I might make a sacrifice, without absolute danger to my children; and that, therefore, as a good citizen, I ought to accept an offer so unexpected and remarkable.

"Various considerations combined to bring me to this conclusion. Theoretically, the door of the temple of distinction is open to all men; but mine is the only instance, perhaps, in which a man, destitute of fortune, family influence, or factious support, has been permitted, much less invited, to enter. So that, as a sort of representative of humble men, I did not choose to refuse, and thus sanction a notion, that none but men of fortune or influence could be selected. Besides, I confess to you, that I have thought myself treated, by 'the titularies of the dignitaries' of Pennsylvania, for upwards of twenty years, very much as Cinderella was treated by her sisters. Not that I have the vanity to suppose, that I possess the redeeming merit of the despised sister; but, I know that dunces, greater than even I admit myself to be, have been ever and anon hoisted over my head; and that too by ropes mainly pulled by myself, while I supposed, I was labouring solely for the public. So that I have no objection to see the said 'titularies' for once disappointed, in their desire of keeping me always blowing the fire, without tasting the food that it cooked. In short, I have always had the affections of the privates; but the officers and non-commissioned officers of the Pennsylvania line, for some reason or another, have always been unkind to me. To my great joy, the privates are now well pleased. Nothing can surpass their obviously heartfelt satisfaction at my elevation, unless it is the palpable chagrin of divers officers and aspirants!

"I leave this for Washington on the 26th." * * *

"*Washington, August* 23, 1833.

"——— ——— However grievous it may be to suppose such a thing, it is true, that there is an irresponsible cabal, that has

more power than the people are aware of. We must not wonder, that the President has not withstood the extraordinary influences, that have been around him. Constant attacks upon him naturally led him to lean upon those, who defended him. The vast number of applicants for office, and the character of their solicitations, have sapped his confidence in the purity of men; so that he seems to suppose, that all have their prices. And then, the incessant torrent of adulation has had the effect to persuade him, that he positively is the infallible person, his flatterers represent him to be. Human nature is the same at all times, and in all places. Alexander hired a person to remind him, every day, that he was but a man; and yet he struck down Clytus, because he doubted his descent from Ammon—the same Clytus, who had saved his life in battle. Napoleon also became as spoiled a child, as was ever dandled on the lap of fashion. I might enumerate many other instances of such frailty. The President himself is not sensible of his change, or of his true position; and, if one were to hint this, it might be deemed an insult. Need I tell *you*, that my devotion to him was genuine? or rather, not to him as a mere man, but as one taken from the ranks of the pure people. I thought, that, coming from them, he would retain the stamp of their unadulterated principles. What motive can I have for differing? What inducement have I not, for concurring? but I can only concur in what I can defend and applaud, in the midst of a wilderness, during the perils of the sea, or on the bed of death.

"The person you mention, Mr. Kendall, I have seen but four times in my life, up to the present hour; and at no time have I been in his presence longer than about ten minutes. All I can say is, that his conduct to Mr. H. Clay never seemed to me to be that of a pure man. Consequently, as it is in my nature to be repelled or attracted at once, I have obeyed my impulse in avoiding. He is a man of great power as a writer, as the Sunday mail report, veto, &c., prove. So that it is natural, that the President should lean upon him; and so he has a right to do. What I object to is, that there is an under current—a sly, whispering, slandering system pursued, that is utterly mischievous and cruel. So intense is the anxiety of Mr. Van Buren to succeed, that he favours those, who have private access to the President's ears. The latter is very anxious for Mr. V's success. The apprehended separation of the parts induced the friends of the latter, to desire to have a flag up, to rally for a

fight. All this may be very well; but, when they want me to hoist the flag, I must pause and ask, is that one of my public duties? was I brought here to be a public executioner, not only of others, but of myself?

"I am just beginning to feel, that, in this station, I might 'do the state some service.' I came here, very reluctantly, knowing my deficiencies, and the proneness of men to cavil and condemn. Now, that I am here, I should like to 'try,' whether I could not do some good; and, of course, on that account, should regret a change. Otherwise, it would contribute to my tranquillity. The crisis must soon arrive. If nothing to alter my present views shall arise, I must decline to remove the deposites. A dismissal (for such would be a compulsory resignation) would be a sad example to future officers. It will be a cruel blow to me, but one, under which I must not stagger or fall. Think of this—in a letter to me, the President said, 'it is not my intention to interfere with the independent exercise of the discretion, committed to you by law over the subject.' One would think this conclusive; and so, perhaps, it would be, if he were left to himself; but I tell you, Catos and Ciceros are not as numerous here as Catilines and Cetheguses. The New York pernicious and immoral doctrine, that we are not a common family, and that there is a perpetual warfare for 'the spoils,' has many followers here. The great and common good of all is deemed a chimera! This rests upon a low estimate of human nature, and makes us Tartars in principle, and savages in practice. My notions, resting upon an elevated conception of the goodness of Providence, are far different. I do not believe, in the saying, '*homo homini lupus*'—that men are, or were meant to be, beasts to prey upon each other. I do not believe, that our form of government is founded on a conviction of man's baseness, but upon an assurance that the mass mean well, and are able to protect themselves against the abuses of individuals. Lorenzo Dow, or the Mormonites, could not preach a doctrine more incomprehensible to the folks here, than mine is. I mourn to say it.

"I have thus opened my heart, and but a little, to pour some of its contents into the crucible of your judgment; so that, if any result shall be heard, that may make you regret my position, you may know what were my motives and feelings, and see that I shall bear it, as a man should do, who has nothing to reproach himself with."

* * * * * * * * * *

"*Philadelphia, October* 7, 1833.

"——— ——— I have received your letter, enclosing extracts from some of the Pittsburgh papers. Great freedom, I confess, is taken with me; but, as I have passed through thirty political campaigns, I am not much annoyed by paper shots. And yet, I have just now sent 'a card' to the newspapers, which, I foresee, will not please the ultras on either side. My desire was to be silent, and I will remain so, if possible. You will admit, however, that it is not a trifle, when 'the great Globe itself,' insinuates, that my late course was the effect of bank influence! that is, the official paper, almost the only one the President reads, and whose editors really are his special confidants, insinuates, by quotation, that the same means, which, it says, converted Mr. Webb and others, changed me! A man must have no small stock of good nature, as well as of conscious innocence, to bear this calmly; and as yet I do so bear it, I assure you. With as much truth and decency might I say, that Mr. Taney had been bribed by the state banks. The slanderers themselves do not believe what they say of me; and if any one else does, the day of my justification must at last arrive.

"The belief, that this will be so, cheers me amidst flatteries on one side, and menaces on the other. Some persons are now cordial, who used to be reserved; and some are now surly, who used to be cordial! Such is this queer world! The former, perhaps, think, I must now change my opinion of the bank, because the President sanctions a persecution of me; if so, they are mistaken: and the latter suppose, that their chilling looks will make me regret my resistance against the President, which is as great a mistake as the other. In short, it seems to be thought strange, that I should have refused to worship man or mammon either! It seems to be supposed, that there must have been some secret in the business! Now I scarcely need tell you, that the only secret was this—I did not choose to be frowning upon myself, for the remainder of my life, as would have been the case, if, to please the President or benefit myself, I had betrayed my trust to the country. Who would not be *Carnot*, the opposer of Napoleon, in his strides to power, but his friend in adversity; rather than *Talleyrand*, who fawned upon him in prosperity, but deserted him when 'fallen from his high estate?' Were the President to become a Billisarius, not one of the creatures, now in his confidence, would guide his steps—what I would do, after all his injustice to me, I need not say to you.

"The truth is, I consider the President intoxicated with power and flattery. 'Constant dropping wears away stones.' Why, indeed, should we be surprised, that he bent under the influence of such passions, as, in ancient and modern times, overcame men, greater by nature and education than he is. It is the *fact*, that *men change*, that makes a republic preferable to a monarchy. Washington and Jefferson would not trust themselves with power longer than *eight* years. Gen. Jackson was, at one time, so fearful of the influence of power and passion upon himself, that he was in favour of limiting service in the Presidency to *four* years! But what a revolution do we behold! now he is not only content to retain power for *eight* years, but desirous to transfer it to a favourite! Such is the effect of power and flattery! Are you amazed? I am not, the matter is easily explained. When he came into office, the President supposed, that he would find much purity at Washington, especially among his supporters, who had been making so many professions. Instead of that, he found the leaders at the heads of factions, each desiring to drive the coach of state. He found his tables groaning under the weight of petitions for offices. He saw several of the late friends of his competitor, standing, with caps in hand, to catch the falling crumbs. He heard adulation from everybody, plain truth from nobody. He came into office, to be the friend of a whole people, but he became the mere purveyor for the hungry expectants of discordant factions. In short, all the circumstances around him were calculated to make him entertain an exalted opinion of himself, and a contemptuous one of others. His own natural passions contributed to this result. Such is my explanation—my apology, if you please. He is changed, or else we knew him not.

"This, however, is not the darkest cloud in the political firmament. To hear people talk, you would suppose, that if Cæsar were to grasp a crown, there would be no Brutus to protest against his putting it on. This is a sad omen. Indeed, it is every day said, that the President can break down any one. If this is true, it is a mournful truth; for it amounts to a command to be silent, to avoid being crushed! If we need not dread Gen. Jackson personally, ought we not to be alarmed at his example? Are we safe, when we see so many ready to sustain him, right or wrong? These, I repeat, are sad omens; and our republic could not long endure, if our territory was small, our population dense, and if we had not state governments.

"So little control has the king of the French over the public purse, that he could not honour a draft, drawn upon the faith of a treaty. The king of England, in his appeals to parliament, on money matters, uses language almost supplicatory. Here, in our own Pennsylvania, the governor is absolutely deprived of all agency concerning the public money: the custody of it is given to our state treasurer, who holds his office independently of the governor, and is annually elected by the legislature. Yet, in our boasted federal government, where the purse ought to be under the immediate control of the representatives of the people, the President wrests it from their agent, and distributes the money among greedy competitors for it, well disposed, if required, to exercise political or other influence in payment for the boon!

"This proceeding, I have not yet heard any one bold enough to justify. The usual excuse is, that the President's intentions are pure. No doubt, he has some patriotic motives. No one supposes that he means to aggrandize himself. Nevertheless, he is operated upon by resentments within, and influences without. His resentment may be natural, at many bitter attacks. The influences are of two kinds; one to accomplish political purposes, through affiliated banks; the other, to make money by land and stock operations. So that, however correct some of the motives of the President himself may be, jobbers in politics and stocks have been the true agents, in promoting late occurrences.

"But what a dangerous course, to make motives an excuse! Who can tell what motives predominate? Who or what is safe, if acts may be excused, by the allegation of the actor, that his intentions were good? Every body believed, before Clough was tried, that he had murdered Mrs. Hamilton; but if any one had hanged him, even after his conviction and escape, it would have been murder, if not done under sentence. The case of the bank, surely, was not clearer than that of Clough. If it had sinned, the law pointed out the mode of trial; but the way provided by law was designedly shunned; the bank was taken out, as it were, and executed, without inquiry, jury, or judge; and, because I would not be the executioner, I deserve to be executed too, I suppose! What a happy state of things in this age of intellect!" * * * * * *

CHAPTER XIV.

As soon as the circumstances, connected with my removal from office, became publicly known, meetings were held in various parts of the Union, at which resolutions were passed, disapproving of the conduct of the executive, and commending the resistance, which had been made to him. From among the letters, addressed to me, on the occasion, and my replies thereto, I am induced to select the following:

"*Virginia—Norfolk, January* 9, 1834.

"W. J. DUANE, ESQ.

"SIR.—By one of a series of resolutions adopted at a meeting of the citizens of this place, recently held, (a copy of which resolutions I have the honour to enclose herewith) you will perceive, that it becomes my duty, 'to communicate to you the thanks of that meeting, for your honest though ineffectual effort to preserve the public treasure from the invasion of the federal executive; and to assure you, that in the retirement to which your independence has driven you, you possess their best wishes for your welfare and happiness.'

"My fellow citizens could not have imposed upon me any task, in the performance of which I should have derived more satisfaction. Although personally unknown to you, I have watched, with keen anxiety, the course you have pursued under the late trying circumstances in which you found yourself most unexpectedly placed; and let me add, that I have witnessed the result, so far as this concerns your character, with a delight proportioned to the anxiety which the occasion naturally inspired. You have set a noble example, sir, which must be useful in our country. Solitary and unsustained by any friendly support, yet unmoved by persuasion, unseduced by flattery, and unawed by power, you have faithfully done what you believed to be your duty, knowing well the fate which awaited you for the conscientious expression of your opinion, in a matter confided by the law to your sole discretion, and deeply involving the public faith and the public interest. If I differed with you in every opinion you have expressed, I should still admire the modest but manly firmness you have manifested, under such circumstances; and should still applaud that holy patriotism, which induced you to prefer what you thought to be the good of your country, to all other considerations. But concurring with you as I do entirely, in each and every one of the opinions you have announced as yours, although my admiration of your conduct may not be greater, yet the pleasure I feel is much increased. The charge imputed to you, is that you have

preferred Rome to Cæsar—your country to your friend. Such an accusation is a compliment; the conviction an honour you have well deserved; and whatever may be the penalty of such supposed guilt, your own approving conscience, and the applauding sympathy of many of your fellow citizens, must give to you heartfelt consolation.

"Although this is my own language, sir, yet I am very confident that it expresses truly, the feelings and opinions of those whose organ I am—who have seen personified in you, that proud independence of thought and action they have been accustomed to admire, and which they delight to cherish, as the sole means, under the protection of Providence, by which our rights and liberties can be preserved.

"Most cordially, sir, do I unite with my fellow citizens, in offering you our best wishes for your welfare and happiness, while you may remain in the retirement to which you have been driven because of the independent assertion of your legal rights.

"I am, sir, very respectfully, your most obedient servant,

"LITTLETON W. TAZEWELL."

"*Philadelphia, January* 15, 1834.

"LITTLETON W. TAZEWELL, ESQ.

"SIR.—I have the honour to acknowledge the receipt of your letter of the 9th instant, communicating to me, by the desire of the citizens of Norfolk, their thanks for my conduct, in endeavouring 'to preserve the public treasure from the invasion of the federal executive.'

"It was in the political school in which Virginia had so many eminent men, that I was taught, that the highest human obligation of a public agent, is duty to his country: so that to receive the approbation of any portion of the people of your patriotic state, especially through one of its most distinguished sons, is peculiarly grateful to my heart; for it satisfies me, that I have not strayed from the path, which has been abandoned by so many others.

"In a free state, it is the duty of every citizen, to watch the conduct of those, who are invested with power; and it was consistent with your character to do so, with keen anxiety, in my case, under the circumstances which followed my entry into office. Out of my own state, I had occupied no station in which I might have had an opportunity to make known my principles; and enough, it seems, was known of the characteristics of others, to arouse the fears of those, who have a knowledge of human nature, and of the causes of the decline of republics. Far from regretting, that eyes, so competent as yours to scrutinize, were fixed upon me, I rejoice at your supervision, since I am indebted to it for the lofty praise that you have bestowed upon me; praise, which, while it greatly exceeds my merit, consoles me under defamation, as merciless as it is unmerited.

"Of the extent of my information, or the soundness of my judgment, upon the questions, in relation to which I differed in opinion from the President, it does not become me to speak: but in the pride of truth, I may say, that you have not over-rated the purity of my motives, or the sincerity of my convictions; and I cannot err, in adding, that further explanation must make this more evident, if that is possible. To give a further explanation, many public and private appeals have been made to me; a circumstance at which I ought not to be surprised. If I had felt such resentment, as the course pursued towards me was well calculated to excite, I would have long since arraigned the conduct of others and challenged an inquiry into my own: but, I believed, that personal indignation alone, however just, did not warrant a display of ministerial transactions; and that the disclosures of ex-secretaries, usually made under excitement, were not calculated to create respect for our institutions, abroad, or to confirm attachment to them at home. Many grave questions were connected with my case, and I was unwilling, by any reference to them, to afford a pretext for saying, that I had an inclination to affect the action of congress. Besides the disinclination to separate, in feelings of discontent, from friends still attached to the President, I had a repugnance, even to repel the blows of one, whom I had so long supported; especially as I considered him the victim of unworthy influences and unhappy passions. So confident, indeed, was I, of the propriety of my course, while in office, that, if I had not been officially, falsely, and malignantly assailed, I would have preserved the silence which I had imposed upon myself, on my retirement to private life. The right of private correspondence, I exercised; but in the extracts, from two letters, which were published without my consent, there is no trace of resentment, much less of malignity; nor is there a sentiment in them in relation to the chief magistrate, which I am not ready to maintain by fact and argument.

"If I may not, even on this occasion, advert to the incidents of my brief official career, it seems to be due to you, that I should not leave the subject wholly unnoticed. The service which I was asked to perform, seems not to be distinctly understood. The official reasons for performing what I refused to execute, do not embrace an explanation, which I consider due to myself, if not to the people or their representatives. The true nature of the service required, consisted, not in the mere act of removing the deposites, but in removing them, from an unwillingness to await the action of congress, or to resort to the appropriate agency of the judiciary, upon questions connected with the bank of the U. S.—not in the mere substitution of one fiscal agent for another, but in exercising, for penal ends, a power given solely for conservative purposes. Hostile as I was to the bank, and willing

as I was to investigate the transactions of its officers in the strictest manner, in the legitimate way, I perceived that a co-operation, in the scheme proposed, would be inconsistent with my duty as a public agent, my principles as a citizen, and my sympathies as a man. And, although, owing to my friendship for the President, and my anxiety to be certain that I was right, I kept myself open to conviction, still my first impressions remained unchanged to the end. If I had thought proper to resign, I might have received the mission to Russia, on the spontaneous assurance of the executive himself; but I could not favour a change, which was at variance with my duty, and which would have given scope for plausible, if not just, reproach. On the contrary, released, as I finally was, from all obligation of delicacy, by acts so wanton as to have meditated insult stamped upon their front, I determined, so far as it depended on me, 'to preserve the public treasure from the invasion of the federal executive,' by not voluntarily relinquishing its guardianship, conferred on me by the law.

"Recurring to the past, I find nothing on my part to reprove. I did not profess to be a courtier, or to be free from the influence of feelings, which, perhaps, become private, rather than public, life. To the last moment I struggled to believe, that the weapons, with which I was assailed, were in unseen hands, and that they were employed, not on account of an hostility on my part, which never existed, towards the President, but because I was his true friend, striving to frustrate a purpose, injurious to his country and his own fame, and which, if successful, could serve those only who held places, that belonged to better men.

"Sir, if there ever was a man, associated with the President, who had a fonder desire than another, to win him back to the observance of early professions—to lead him to the performance, on his own part, of what he had recommended to one of his predecessors—to aid him in increasing his fame, by elevating the character of his country abroad, and reconciling his countrymen to each other at home—humble as I may be, I aver that I was that person. Whether I mistook the character of the chief magistrate, or he forgot himself; it is sufficient for me to know, that, whilst, apart from duty to the public, I had no motive to resist his will, there was every inducement to retain his friendship. But much as I preferred his confidence to a heartless proscription, on the loss of it; I dared not do, what, if done, ought to have deprived me of his favour, and of my own esteem.

"That I have the support of your weighty opinion, not only upon the main question, but on other points, on which my sentiments have been made known, is a source of sincere pleasure to me. It is pos-

sible, and barely so, that when the main question was first unexpectedly presented to me, I may have expressed some sentiment, in which you, or some of your fellow citizens may not concur; if so, I have a guarantee for liberality in the wishes, for my welfare and happiness, which you have so eloquently and feelingly expressed.

"Those wishes I accept with due sensibility; I will cherish a remembrance of them to the latest moments of my existence; and until then shall not cease to desire that you and your fellow citizens may have all the rewards, that are merited by patriotic citizens and generous men. "With the utmost respect, I am sir,

"Your obedient servant,

"W. J. DUANE."

"*Leesburg*, (*Virginia*,) 16*th January*, 1834.

"W. J. DUANE, ESQ.

"SIR.—I take pleasure, as the organ of a public meeting of the citizens of the county of Loudoun, Virginia, held on the 13th instant, in communicating the sentiments of that meeting, in relation to your conduct as secretary of the treasury.

"On motion of John A. Carter, Esq., the following resolution was adopted:—

"***Resolved***, That the thanks of this meeting are given to W. J. Duane, late secretary of the treasury, for his firmness in not obeying the commands of the President, by removing the deposites from the bank of the U. S., and for his moral courage in preferring duty to office."

"The meeting was called by a public notice, inviting all parties to meet, and unite in an expression of their sentiments in relation to the removal of the public deposites; and the consideration, that it was divested of party purpose and party feeling, enhances the value of the sentiment, which the meeting has expressed in relation to your course as a public officer. It affords me increased pleasure to communicate to you, that Mr. Carter's resolution was received with evident satisfaction, and was passed with great unanimity, by the meeting.

"Permit me to express my entire and hearty concurrence in the sentiments of the resolution, and to indulge in the hope, that your firmness, integrity, and honourable conduct, in the memorable event, (which may yet form an important epoch in the page of our history,) may not be unproductive of public good; but that, in the future administration of our government, your conduct, 'in preferring duty to office,' may become an example, which, though lost on the present, shall be held sacred by every future, successor to the distinguished office, from which a despotic influence ejected you.

"I have the honour to be, very respectfully,

"Your obedient servant,

"FLEMING HIXON, *Secretary*."

"*Philadelphia, January* 27, 1834.

"F. Hixon, esq.

"Sir.—I duly received your letter of the 16th inst., communicating the thanks of the citizens of Loudoun county, Virginia, for my conduct, while secretary of the treasury, in resisting a removal of the deposites, and 'in preferring duty to office.'

"The commendation, which your fellow citizens have been pleased thus to bestow, is not a tribute of flattery to pride or power, but an assertion of principles: it is not merely intended, with the accustomed generosity of Virginians as men, to soothe a fellow citizen unjustly oppressed; but, with their hereditary spirit as patriots, to condemn a wanton abuse, if not an absolute usurpation, of power, by the chief magistrate of the Union. As such, I am delighted to receive the approbation, which you have conveyed to me; and, if any thing could add to my pleasure, it is the circumstance, that those who honoured me with their support, had assembled without a reference to 'party feeling, or party purpose.' Allow me respectfully to express my opinion, that parties exist in all free states, of necessity: men separate on leading principles, and by temperate discussion develope truth. Factions are the destroyers of republics, for their objects are purely selfish. A faction, and not a party, now rule our country: devotion to a man has been substituted for love of liberty: the ruling faction intend, by using the fame of Gen. Jackson, and the money of the people, to perpetuate their power. So that I am not surprised, that, in Virginia especially, where base passions have never predominated in public affairs, all minor considerations should be merged in a holy anxiety for the preservation of those institutions, upon which our own prosperity, and that of our posterity, depends.

"The course, of late pursued by the President of the United States, seems to warrant your use of the word 'despotic.' It cannot be said, that those, who use that word, have any unworthy motive as to the chief magistrate, personally. We must all regret, that his name will not shed as bright a lustre upon the page of his country's history, as it would have done, if he had retired to private life, as he had at one time meditated, at the close of his first term of service. Nor can any improper political motive be assigned for censuring the conduct of an officer, who is not to be again a candidate. The true aim of condemnation is to prevent similar, or more alarming, abuses, on the part of others. As to the President, he has only done, what many men of greater abilities have done before—partaken too freely of the cup, in which power and flattery were mingled. Our institutions are founded upon a knowledge, of the proneness of men to become thus intoxicated; and it was under a sense, if not of their own weakness, of what that of others might be, that some of our patriotic

chief magistrates refused to retain authority beyond the second term of service. The infatuation of Gen. Jackson is not more singular than that of Aratus, who was the most public-spirited assertor of liberty in Greece: under the influence of the mean passions of envy and revenge, he sacrificed not only the freedom of his country, but his own fame—a memorable instance, as Plutarch tells us, of human weakness, calling for compassion for the man, but jealousy of the passions, to which he fell a victim.

"In my humble judgment, the most alarming indication of the present memorable period, is the readiness of so many of the people, especially in the middle states, to sustain the President, right or wrong: they are so infatuated as to suppose, that, because he may not desire to usurp power like Cromwell, or to amass wealth like Verres, he can be actuated by no other passion, injurious to his country: in my opinion, the President is ruled by the lustful spirit of domination—a selfish desire to concentrate in his own hands all such power as may enable him to gratify other passions: artful men feed this appetite, and through its gratification, satisfy their own selfish wants. Actuated by this spirit, the President thinks all, who do not resist it, dear friends, and all who do not bend to it, bitter enemies. Frequent success produces a desire for new triumphs, and a dread of being frustrated in any object. To rule, therefore, even in minor matters, becomes the darling passion, before which remonstrance stands in vain. How happy should we consider ourselves, that the constitution allows us soon to terminate, what reason cannot change—a course at variance with public principle, and private prosperity.

"Be pleased to express to your fellow citizens, my high sense of their confidence and kindness, and my anxious wishes for their honour and happiness; and for yourself, accept my warm acknowledgments for the grateful manner in which you have made known to me the sentiments of the meeting of which you were the organ.

"Respectfully, your obedient servant,

"W. J. DUANE."

"*Pittsburgh, February* 7, 1834.

"W. J. DUANE, ESQ.

"SIR.—We have the honour of annexing a copy of one of a series of resolutions, adopted by the largest public meeting (and we may say the most respectable) ever held in this city, on the 6th inst. It is a duty, which gives us great satisfaction to perform. The resolution expresses the honest feelings of a great majority of your fellow citizens here. We cordially unite with them, in rendering you our best wishes for your prosperity and happiness, and our mutual

approbation of your independent course, and firm attempt to preserve inviolate the public treasure from executive usurpation.

"Very respectfully &c., "THOMAS FAIRMAN,
"JOHN ARTHURS,
"ISAAC LIGHTNER, JR."

"*Resolved*, That W. J. Duane, for his attempt, 'to preserve the public treasure from the invasion of the federal executive,' deserves the thanks, and will receive the approbation of every true friend of this country."

"*Philadelphia, February* 12, 1834.

"THOMAS FAIRMAN, ESQ., and others.

"FELLOW CITIZENS—For my conduct, as secretary of the treasury, in relation to the public deposites, I have received, through your letter of the 7th inst., the thanks 'of the largest and most respectable meeting' of the citizens of Pittsburgh, that had ever been held. Among the testimonies of approbation, which I have had the honour to receive from various parts of the country, there is not one that is more pleasing to me than that which I thus acknowledge. In the course of the last twenty-five years, I have had frequent opportunities to become personally acquainted with the patriotism, enterprise, and social virtues of your fellow citizens; and I am delighted to receive from them, now, marks of confidence, in relation to my conduct as a public agent, so much in accordance with the evidences of friendship which I have hitherto had as a private citizen.

"That I did, while in office, what I thought it my solemn duty to do, is, perhaps, all that I need say. How much I did to avert the crisis at which we have now arrived, it does not become me to mention. That I did all I could, will be a consolation to me, under the sad reflection that I was unable to do more. That I had not the gratification successfully to contribute to prevent the existing distress, and increasing apprehension as to the permanency of our institutions, I deeply lament: but I devoutly hope that the wisdom of congress, when appealed to by the states and people, may effect, political reformation and social relief.

"From observations recently made, in the senate of the United States, it might be inferred that, those, who had been selected by the President, as the most competent persons to advise him on points of public policy, had not exerted all their energy to check him in his headlong career; it might be supposed, that there had been no foresight and no warning as to the evils which we all now suffer: and, therefore, as the President keeps a veil over the evidences of what some of his advisers did, it is due, especially to my predecessor and to myself, that I should assure you, as I do, that there was foresight, and that there was warning, but to no purpose whatever; on the contrary, such counsel was rejected by the President, who, in prefe-

rence, adopted a scheme pressed upon him by persons, whose names even, he was unwilling to see in an official communication made to him—a scheme which has produced the disruption of public confidence, and the prostration of private prosperity.

"If, fellow citizens, the people of our country desire to place their posterity in a condition like that of the unhappy Poles, let them slumber now, and they may be certain that calamity will come hereafter. If they desire to see the will of *one man* the supreme law, they will continue to send, as they now do, deputations to beg, from their own agent, relief from the wrongs which he has rashly inflicted, and will not redress. But, if they wish to be deemed descendants worthy of the men of 1776, and if they covet to receive for themselves, in time to come, such gratitude as we now feel towards those who have gone before us, they will arouse, and proclaim to congress the necessity for an immediate resistance to that lustful spirit of domination, which impels the President in a course as pernicious to his country's happiness, as it is subversive of his own fame.

"I rejoice that Pennsylvania begins to feel, as she should do, at a crisis like the present; and I shall be proud indeed to see her again the ally of Virginia, that patriotic state, which has ever been gallantly in the van, when the liberties of the people have been in danger. Let us trust, that she will prefer a co-operation for honour, to be gained in saving the republic, to a combination for 'spoils' to be wrung from the people as tokens of their degradation.

"We, in Pennsylvania, whose motto is 'Virtue, Liberty, and Independence,' have been too long debased: in times of difficulty, we have been flattered and prized; but our power has been used for no other end than to sustain outrage upon our own pride. We have been rent asunder, not by parties, honestly contending about principles, but by factions, solely intent upon the gratification of their own selfish ends. We have so long permitted ourselves to be drilled by the recruiting sergeants of demagogues at home, for superior demagogues abroad, that, instead of having the pride to desire to command our own servants, we seem to seek the shame of becoming their servile tools. Let us begin a real reform; let us teach our agents to attend to the duties, for which they are compensated, and to have the modesty to allow us to have something to do with what concerns ourselves and our posterity; let us sustain those agents in all their rights as officers and citizens, but forbid them to be hereafter not merely our dictators but our tyrants.

"I hope that nothing may be found in this letter, which the occasion does not demand. If I err in any particular, you will, I am sure, excuse me in consideration of my motives. I have no resentment as to

the past, no expectation as to the future, to gratify. Although one of the earliest and most ardent advocates for the elevation of Gen. Jackson, I never, directly or indirectly, asked a favour of him; on the contrary, I assumed two, of four appointments, tendered or conferred upon me, with unfeigned reluctance. Had I chosen to remove the deposites, I might have retained one office of honour and emolument; and, if I had voluntarily given up that office, I might have obtained another. That I refused to occupy either of those stations, or, in other words, that I did what caused my expulsion from one, and necessarily prevented my getting the other, seemed so marvellous in the eyes of men, who had been through life ready for the highest bidder in the political market, that they imputed corrupt motives to me, because they had never been actuated by any other themselves. I scorn them all, well knowing that if they could prove what they say, they would not be content with the mere exhibition of calumnies.

"From education, inclination, and habit, I have been accustomed to take a lively interest in public affairs. At the present time, my solicitude has imperceptibly led me to write a much longer reply to your letter, than you may have expected or desired: go back and abridge, I will not; so that I submit it to your indulgent acceptance, as an indication of my desire to promote what I consider essential to the preservation of our rights as citizens of a free state, and of our happiness as members of a virtuous community.

"I request you to express to your fellow citizens my high sense of their approbation, and to accept, for yourselves, my warm acknowledgments for the manner in which you have made that commendation known to me. "Respectfully, your obedient servant,

"W. J. DUANE."

CHAPTER XV.

"*Germantown, 15th February*, 1834.

"W. J. DUANE, ESQ.

"SIR.—At an unusually large and respectable meeting of the people of Germantown, and its vicinity, 'without distinction of party,' opposed to the 'arbitrary, vindictive, and unjust' proceedings of the President, in regard to the bank U. S., the following resolution was enthusiastically adopted:

"*Resolved*, That the patriotic devotion of our fellow citizen, W. J. Duane, to his constitutional duty, and his firm and manly determination, to sustain the rights of the people, and the integrity of the nation, at the hazard of incurring the displeasure of the executive, and of subjecting himself to an unrelenting and bitter persecution, is alike honourable to himself, and a source of just pride to Pennsylvanians."

"I enclose a copy of the proceedings of the meeting, and have the honour to be, sir, your obedient servant,

"J. S. LITTELL, *Chairman, &c.*"

"*Philadelphia, February* 20, 1834.

"J. S. LITTELL, ESQ., *Chairman, &c.*

"SIR.—I regret that I have not had an earlier opportunity to acknowledge your letter of the 15th inst., enclosing a copy of a resolution 'enthusiastically adopted at an unusually large and respectable meeting of the people of Germantown, and its vicinity, without distinction of party,' approving of my conduct, as secretary of the treasury, in relation to the public deposites.

"As I may be justly proud of the commendation of those, who have no personal knowledge of me, since they decide according to my acts alone; so, on the other hand, may I rejoice at a public expression of the good opinion of my immediate fellow citizens, since they determine upon an acquaintance with my general character also.

"I gratefully receive, therefore, the testimonial of approbation, which you transmitted to me; and request you to express to those, whom you represent, my earnest wishes, that the efforts now making by so many of our countrymen, may restore social tranquillity and effect political reform.

"To the accomplishment of those ends, nothing is wanting but that the people themselves should attend to their own duty. No farmer ever derives such advantage from his land, as when attended to by himself. All agency tends to abuse of power. He, who leaves to others what he should do himself, may expect to find weeds abstracting the substance, without which wholesome fruit cannot be gathered.

"Our political system is but a large farm; so large, that we necessarily must have agents everywhere, and the greater the number the more necessity for watchfulness. The eye of the master, says

the proverb, makes the horse fat; and it may be as truly said, that if the people close their eyes, the agents will fatten themselves without much regard to the wants of their employers.

"A new profession, I think, has been added to those of divinity, physic, and law: I mean that of mere politicians; individuals who do not wait to be called into service by the people, but who combine to make themselves their masters. The members of this profession have a common cause, if not in actual opposition to the substantial welfare of the country, at least for the maintenance of intrigues, bargains, conventions, and conspiracies, which, in the end, leave to the people, the empty honour, or rather the overflowing shame, of being now and then allowed at elections to vote as they are commanded. Hence it is, that we so seldom find representatives consulting the actual voters, while they obsequiously attend to the schemes of those, who govern the machinery.

"Some persons dislike to see men, women, and children, labouring in a cotton factory; the regularity with which human beings move at the sound of a bell, seems to present a picture of humiliation; but it only seems to be humiliation, for in our happy country, at least, it is not yet in the power of man to degrade his fellow. This is not the case, however, in our political factory; and, if it is the pleasure of the freemen of Pennsylvania, to be mere operatives in it, although it may be sport to themselves, it must be death to their posterity. We all tremble at the evils of an aristocracy of mere wealth, but we hug the chains of an oligarchy of mere power. Does the President hear or listen to the voice of the people? not at all; the whispers of mere politicians alone reach his ears, and these are always communicating such intelligence only, as may flatter the vanity of the one, or gratify the selfishness of the other. What political truth can be more obvious, than that the few are ever drawing the power of the many to themselves. As well may a man expect to see his private affairs in a flourishing condition, without any personal inspection on his own part; as the people should hope to enjoy the fruits of civil liberty, when the superintendence of the temple is committed, without supervision, to those who have an interest in its pollution.

"Reflect for a moment upon the host of agents, spread throughout the land, all connected by a tie, that none desire to sever. I do not speak of individuals; I am treating upon principles. The most powerful combinations may be formed by their instrumentality. The machinery, if once put fairly in motion, can scarcely be stopped by any other means, than a counter combination on the part of the people, to which there are many obstacles. Having had an opportunity, a brief and imperfect one I confess, to comprehend how such official combinations may be effected; and being well satisfied, that a com-

bination has been commenced; I most anxiously trust, that the people will not regard this new and insidious foe to their liberties with indifference; but that they will forthwith proceed to 'set their house in order,' for their own honour and the welfare of their posterity.

"With kind wishes, I am, respectfully your's,

"W. J. DUANE."

"*Columbus, Ohio, February 26th*, 1834.

"W. J. DUANE, ESQ.

"DEAR SIR.—In pursuance of a duty enjoined on us, by a public meeting, held in this town on Saturday last, we communicate herewith, a resolution passed by that meeting, approving 'the able, virtuous, and independent course of William J. Duane, late secretary of the treasury, in resisting the arbitrary and illegal attempts of the President of the United States, to possess himself of the uncontrolled command of the national treasury.'

"Unquestionably, a life of virtue meets its highest reward in the approval of a man's own conscience. An honest man, in his private relations, looks no further. The faithful public servant, however, delights in the conviction, that his conduct has deserved and received the approbation of his country also. The people whom we represent on this occasion, believe this additional reward to be yours. Stern and incorruptible integrity, they fear, has become rare; and in high places rarer still. If they see a spirit of independence that bends to no unworthy influence; a fidelity in public trusts, unshaken by strong temptation; and a sense of personal honour that spurns the suggestions of ambition—these, they would cherish as the sure means of preserving the republican institutions of their country, and perpetuating their blessings. When they look on your conduct as secretary of the treasury, they behold you resisting the abuses of power, opposing the dictations of despotism, and despising the allurements of corruption. And in that view, they recognise one pleasing, one refreshing feature in the dark and gloomy picture which is spread out before them in the history of the present administration. You have asserted a strong claim upon the respect, and confidence, and affections, of your countrymen; may you long live to enjoy the happy distinction, and to continue the exhibition of so bright an example of purity, and patriotism, and worth. We are, sir, very respectfully,

"JOSEPH RIDGWAY,
"JOHN G. MILLER,
"ROBERT NEIL, } *Committee.*"

"*Philadelphia, March* 8, 1834.

"FELLOW CITIZENS.—I have just now received your letter of the 26th ult., announcing the grateful circumstance, that my conduct, while I was secretary of the treasury, had been commended by your

fellow citizens of Franklin county, without distinction of party, who assembled at Columbus, on the 22d of the last month.

"It is difficult to acknowledge such a flattering letter as yours. If I unhesitatingly accept the praise which it gives, I incur the hazard of being thought vain; and if I disclaim the merit that is attributed, I may be accused of affectation. Without accepting praise, or disclaiming merit, I avow that I feel pride and pleasure at the approbation, that is expressed by so many of my fellow citizens, whose opinions are so obviously dispassionate. The love of distinction is natural to us all; it accompanies us from the cradle to the grave; and is a strong incentive to the performance of acts, that confer honour and benefit upon our country. Nevertheless, if it is a weakness, to be delighted with the good opinions of others, I am content to have this added to the number of my foibles. It should be an apology for me, that I did not seek praise. I was unexpectedly elevated to a high station, and did not anticipate the pain, attendant upon its occupation, much less the consolation that has followed my removal from it.

"If you will closely examine my reasons, of a public nature, for refusing to remove the deposites, you will conclude, I think, that I could not, without reproach, have pursued a different course. So that really it was not less in self-defence, than on the public account, I resisted the President. Independently of the reasons referred to, there were considerations of a somewhat private nature, which had an influence upon me. And I think those considerations, will be better understood in Ohio, than any where else. For, owing to your position, brief existence as a state, and rapid advancement, you have more political equality, amongst your fellow citizens, than is to be witnessed in any other part of the Union.

"It is said, indeed, that all our countrymen are equal. And I admit, that in elections by the people, the pretensions of every man may be fairly set before them. But how rarely has any of our executive magistrates taken any of his cabinet associates, from what are emphatically the ranks of the people. The mass of private, unaspiring men, has been passed by, and selections have been almost universally made from those only, who were sustained by wealthy or influential connexions.

"When, therefore, I was unexpectedly transferred from the ranks of the privates, to the national staff, I confess to you, that I felt a deep solicitude, not only on my own account, but because I foresaw that my conduct, would have an influence upon the pretensions of all men, who, like myself, had no extraneous influence to rely upon. Infidelity in my trust, or incompetency in its execution, would be made an apology for taking future occupants of high places from

amongst trading politicians alone. So that, whether, it was arrogant or not in me to do so, I felt and acted as Napoleon's grenadier did in battle, after he got the cross of the legion of honour; 'I now have to fight,' said he, 'not only for my own honour, but for that of all the privates in the line of the army.' And when I was asked to remove the deposites, I had to consider the effect of my decision, not merely upon the country and myself, but upon the mass from which I had been taken. Even if I had good reasons to give for obeying the President, I was sure my motives would be called in question. It would have been said, that my submission, was a proof that all men had their prices, and especially those suddenly elevated from the humble family of the democracy. In short, it would have been urged, that my conduct proved the necessity for ranks, classes, and distinctions among men.

"So that as I had not a solitary reason to give to congress, for removing the deposites, every public and private consideration called me to do my duty, happen what might. And I am entirely mistaken in our countrymen, if you would not have witnessed the like conduct on the part of such of them as are not of the mere class of politicians by profession.

"Your fellow citizens will accept, I trust, my grateful acknowledgments for the honour they have done me. And to yourselves I give the assurance of my kind wishes, and sincere respect.

"Truly, your's, &c.,

"W. J. DUANE."

"JOSEPH RIDGWAY,
"JOHN G. MILLER,
"ROBERT NEIL, ESQ'S. } *Central Committee.*"

"*East Ville, Northampton county, Virginia, 28th February*, 1834.

"W. J. DUANE, ESQ.

"SIR.—I have the honour to transmit enclosed, a copy of the proceedings of a meeting held in this place on the 22d instant, to take into consideration the removal of the deposites from the bank of the U. S.

"In discharging the duty devolved on me by one of the resolutions adopted on that occasion, of expressing to you 'the entire confidence of that meeting in your patriotism and integrity,' I have the good fortune to be instrumental, however humbly, in bestowing upon you the patriot's dearest reward—an assurance of the approbation, by your fellow citizens, of your past conduct and services, and of their continued confidence in the purity of motive and honesty of purpose, which will characterize your future exertions for the public weal—a reward, sir, alike honourable to the giver and the receiver.

"I am no politician by profession, sir, and rarely, if ever, take any part in politics, otherwise than by a quiet vote at the polls, yet it was impossible to be an uninterested observer of some of the political events which a few short months have unfolded. Amongst all those which have transpired in the narrow range of my memory and observation, there has not been, in my apprehension, one which, whether we look to the principles or to the consequences involved, is more alarming than the late executive act of removing the government deposites, upon the President's sole responsibility; and, as it seems to me, without the shadow of constitutional or legal authority for so doing—unless, indeed, 'it be true that when a duty is by law specially assigned to a particular officer, the President may control him in the performance of it;' and if this be true, 'then it is most manifest that the will of the President is the supreme law, and every barrier between him and the treasury is annihilated, and that the union of the purse and the sword in one man's hands, which the patriotic Henry so much denounced, and which constitutes the best description of despotism, is completely realized.' But passing by the public and individual distress which fills our land, and the moral stain of violated public faith, as unworthy the least consideration, and regarding a deranged currency, and all other actual and probable consequences of this ill-advised executive measure, as nothing—nay, counting the vested chartered rights of the bank, for which it has amply paid in treasure and in service, as of no account, there is still a question growing out of this executive innovation, of fearful import to the liberties of the people. It is the question involved to some extent in all the presidential usurpations. In what or in whom does the supreme law of the land reside? Is it in the Constitution of the United States, and in the laws and treaties made in pursuance thereof, or is it in the *sic volo, sic veto* of the President? I take these to be the momentous questions which the country is now to be called upon to decide. It was, sir, the firm and independent stand taken by you, in relation to these very questions—a stand which was not to be changed by the flattering offer of a foreign mission on the one hand, or by threatened disgrace on the other, that has won for you the confidence of your fellow citizens here and elsewhere. I have only to add, sir, that the resolution referred to, expressed the general sentiments of my neighbours, in and out of the meeting.

"With perfect respect, your obedient servant,

"N. J. WINDER."

"*Philadelphia, March* 6, 1834.

"SIR.—To the testimonials of the approbation of my conduct, as secretary of the treasury, which I have had the honour to receive

from various parts of your patriotic state, I gratefully add the commendation of the citizens of Northampton county, without distinction of party, which you communicated to me in your letter of the 28th of the last month.

"I have read with instruction, as well as pleasure, the resolutions upon general principles, adopted by your fellow citizens. They accord admirably with the spirit that has ever distinguished Virginians, and are a sure presage that acts will follow declarations. Those who framed our political institutions, necessarily left them imperfect. At the commencement of his presidential service, Mr. Jefferson said, they were 'in the full tide of successful experiment;' and it becomes us to entertain the same cheering conviction still. Good men may honestly differ in opinion as to the extent of the power of the federal executive. Even amongst those, who condemn the conduct of our present chief magistrate, there is a contrariety in sentiment; some think he usurped powers designedly withheld from him, while others believe that he merely abused powers already possessed. Instead of entering into nice disquisitions, or searching for lines of distinction not easily found, I have usually examined the President's conduct according to the plain rules of common sense, and have found it indefensible.

"He must have known, that the people, of every country pretending to be free, had at all times struggled to retain the power of the purse within their own control. He must have been aware that, influenced by the examples of the parliaments of England and France, in particular, many of the pure patriots of 1789 protested against the union of the purse and sword in the same hand. It must have been obvious to him, that none of his predecessors had trodden upon what so many of their countrymen regarded as hallowed ground; and he could not but have felt that, in departing from their example, he was accumulating extraordinary powers within his own grasp. So that, even if the true limits of executive power had not been sufficiently defined, patriotism, magnanimity, and modesty, urged him to forbear. But instead of forbearing, he flung his single will into the scale, turning it against his country, and in favour of himself.

"In my humble opinion, after the President had promised the secretary of the treasury not to interfere with the *independent* exercise of the discretion committed to him by law over the subject of the deposites, and after he had failed, by argument, to persuade that officer to concur with him, he ought to have thus addressed him:—'Sir—According to my interpretation of the constitution, congress had no right to confer upon you a power to be exercised independently of the executive. I am to see the laws faithfully executed,

Unless you remove the deposites, you will not be wisely using your discretion, and I may remove you from office. But I cannot forget, that, ever since the foundation of our government, it has been at least doubted whether the secretary of the treasury is, or ought to be, a mere dependant upon the executive. This republican jealousy, Andrew Jackson will not be the first to disregard. I will not spurn the warnings of Henry, Gerry, and other such men. In a future time, example in grasping a doubtful power might do more mischief than the exercise of that power now can enable me to do good. The bank, it is true, is a pernicious institution; but I can, at first, operate upon it by a *scire facias*, and prevent waste of funds by an *injunction*—and in a few weeks the representatives of the people will assemble; they were elected after I put forth my veto message; they will bear to the capitol the national verdict. I respect the virtue of the people and their agents too sincerely to doubt the result—and I, at least, shall have done my duty.'

"I respectfully conceive that such a course as this would have been honourable to the country, to its institutions, and to the President himself. But instead of such a course, he pursued another, which has brought our social relations into confusion, and our political institutions into doubt. He has sanctioned the doctrine of the enemies of free government, that the people are incapable of protecting themselves, and that their representatives have their prices; modestly concluding, that all virtue is in himself, and that without him the republic would perish. From this it must be apparent, that the proceedings of the President have not been regulated by fixed principles, but impelled by mischievous passions, artfully excited by unworthy confidants.

"But, sir, the acts which we now condemn, must be followed by consequences so beneficial as to compensate for all our present vexations. Another weak part in the frame of our government has been discovered, and a new occasion presents itself for removing doubts and averting dangers. We are not labouring upon a tempestuous sea merely to preserve the barque of our own political day—we have in our hands the destinies of millions who are to succeed us in our own land, and even those of the tens of millions who, in other climes, regard us as pilots, leading them into such a haven of liberty, security, and peace, as we proudly occupy ourselves.

"Amidst such considerations as these, questions about a bank, or its alleged misconduct, are subordinate. If the constitution has been violated, there should be some redress. If there has only been an abuse of power, constitutional means to prevent a second outrage should be adopted. As to the currency and the fiscal operations of the government, these subjects properly belong to the representatives

of the states and people. It would be deplorable, indeed, if their virtue and intelligence were less pure or enlarged than those of the President; and it is a singular argument, to be employed by persons professing to be republicans, that an illegal assault upon a bank is essential to the preservation of the public liberty.

"This doctrine is such as has ever preceded the prostration of a free government. 'I relied on my good people,' said Napoleon, when he shut up the doors of the legislature: 'I am more necessary to them than they are to me—all that I do is for the glory of France.' In like manner our President appeals to the people, in public, and excuses the exercise of an arbitrary power, by an intimation that their representatives are corruptible! And yet this is the conduct which is applauded in the addresses and resolutions of many of our countrymen, who would be very much offended, if we suggested that they were preparing the yoke of slavery for their posterity.

"No state in the Union has a fairer claim than yours, to take the lead in opposition to the political heresies and encroachments of the present day. The duty that is imposed upon Virginia, must be a grateful one. The struggle now is, to determine whether the constitution and laws shall prevail, or whether we are to be ruled by a combination of persons holding offices, who act upon the prejudices and passions of an unsuspicious people; who pervert the palladium of freedom, the press, into an engine of proscription; and who have the audacity to do all this in the name of the very principles which they trample in the dust.

"Be pleased, sir, to express to your fellow citizens, my grateful sense of the honour conferred by their approbation, and to accept for yourself my cordial thanks for the manner in which you made that approbation known to me. Such incidents as these I shall cherish amongst the happiest of my life.

"With great respect, your obedient servant,

"W. J. DUANE."

"*Chillicothe, March* 24, 1834.

"W. J. DUANE, Esq.

"In obedience to a resolution, of a large and respectable meeting, of the citizens of the county of Ross, and State of Ohio, convened at the court-house, on the 17th instant, I have the honour to transmit to you, the resolutions of two public meetings of our citizens. Although we differ from you, in opinion, both as to the constitutionality and utility of the bank U. S., these resolutions embody the sincere feelings of respect and regard entertained towards you, by a great majority of our citizens, for your manly firmness and patriotic devotion, to the best interests of our country—in opposing the

removal of the public deposites, from the bank U. S., while you were acting as secretary of the treasury.

"Permit me, sir, to assure you, that it affords me real pleasure to add, most respectfully, my individual esteem and sincere regard, for that high and honourable self-respect and stern integrity, which induced you to prefer your duty, to your country, to a compliance with the dictates of power.

"I have the honour to be, your obedient servant,

"DUNCAN M'ARTHUR."

"*Philadelphia, April 22d*, 1834.

"GEN. DUNCAN M'ARTHUR,

"SIR.—I have the pleasure to acknowledge your letter, transmitting a resolution, adopted at a meeting of your fellow citizens of Ross county, Ohio, commending my conduct, while I was secretary of the treasury, in refusing to remove the public deposites. Such testimonials of confidence would, under any circumstances, be grateful to my heart; but they are peculiarly acceptable, when I consider the fact, to which you allude, that approbation is bestowed by your fellow citizens, although they differ from me in opinion, respecting the bank U. S. I sincerely thank them for a liberality, that is as honourable to themselves, as it is kind to me.

"That there should be a difference of opinion, between many of our fellow citizens, respecting the bank U. S., is not surprising. Unfortunately, the country has been thrown into a state of excitement, unfavourable to dispassionate inquiry. A controversy is confined to a single bank, whereas the whole subject of a paper currency should, in my humble opinion, be thoroughly investigated. This I took the freedom to suggest, to the President, in July last; adding, that information could only be obtained by a development of facts, and an interchange of opinions. That, to begin with a secretary's report, would be inverting the order of things; and this anomaly would be presented, that congress would have no other data to act upon, than such as the rare diligence of a few members, of a numerous body, would have collected. Thus the action of the legislature would be determined by a majority, who, from want of information, must vote upon the faith they may put in a public officer, or in a few of their colleagues—a course, the reverse of that pursued in all important inquiries, in modern times, by analysis. My impression was, that it would be discreet, to imitate the popular branches of the two governments, which are in advance of all others in Europe, those of England and France. In England, although the ministers are members of parliament, it is the practice of that body to submit all important and complex subjects to a committee of inquiry, general or special. On the memorable occasion of the suspension of, and return to, cash

payments, a committee, composed of individuals of the first talents, was instituted; and, after a laborious inquiry, and examination of persons of great experience, the celebrated bullion report was produced. On other questions of national interest, the same course is pursued, with beneficial effects.

"Such an investigation, on the subject of a paper currency, as now existing; or, indeed, on the question at large of a paper currency, I believed, might have been conducted with great advantage. For my own part, I am of opinion, that the morals, interests, and liberties of the people are injuriously affected by the paper system, as it is termed; and, I think, we shall not have a safe and sound currency, while we have bank monopolies. Nevertheless, I am sensible of the advantage of further inquiry. But, until satisfied that I err, I must adhere to opinions, long held upon reflection; asking only such a liberal interpretation of my motives, as I should be ashamed to deny to others.

"I pray you, sir, to present my cordial acknowledgments to your fellow citizens; and accept, for yourself, my sincere thanks for the friendly terms, in which you have conveyed their wishes. That you may all long enjoy health, and soon see the termination of existing vexations, is devoutly desired by

"Your's, very respectfully,

"W. J. Duane."

CHAPTER XVI.

"*Walnut-Hill, Dallas county (Alabama), March* 30, 1834.

"W. J. DUANE, ESQ.,

"SIR.—In obedience to a resolution, of a meeting of our citizens, in Selma, I have the honour to transmit, to you, a copy of sundry resolutions, passed by them in relation to the removal of the deposites, from the U. S. bank. From those resolutions, you will learn, that your patriotism and firmness are appreciated here; and that, by all parties, for the meeting was composed of all parties.

"Permit me, although an entire stranger, to express my high respect for you, in consequence of your manful resistance against power. May heaven grant you many days, to enjoy that peace of mind, which virtuous integrity has secured you.

"I have the honour to be, with high consideration, your's, &c.,

"JAMES MEEK."

"*Resolved*, That we view the question of the removal of the deposites, as entirely distinct and separate from the re-chartering of the U. S. bank.

"*Resolved*, That the conduct of W. J. Duane, in refusing to order the deposites to be removed, was highly deserving of praise, and satisfies us that he is a worthy, independent, and patriotic citizen; and that his removal was a wanton and oppressive abuse of power.

"*Resolved*, That we believe the language used in the above resolutions to be expressive of the opinions of a large majority, without distinction of party, of the people of Alabama."

"*Philadelphia, April* 12, 1834.

"SIR.—I have the honour to acknowledge the letter, which you wrote to me, on the 30th ult., under the direction of a meeting of citizens of Alabama, assembled at Selma, on the 15th ult., to express their sentiments, in relation to the removal of the public deposites from the U. S. bank.

"Next to the approbation of our own conscience, we naturally cherish the good opinion of those, who are intimately acquainted with us. I could not, however, be more proud of the confidence of my particular friends, than I am of the commendation, which your fellow citizens have bestowed on me. We are not only personally unknown to each other; but, in all human probability, we are ever to remain so. When, therefore, you and your fellow citizens spontaneously approve of my conduct, as a public agent, and when you ask Divine Providence to grant me a tranquil life, I am deeply impressed with feelings of thankfulness and pride.

"That it was my duty to resist, at all hazards, what I considered a pernicious proceeding, on the part of the President, is not now questioned by any of his dispassionate friends. The removal of the pub-

lic deposites, as an act of policy or propriety, has not been seriously defended any where. In the senate, the measure has been condemned by a large majority; and, in the house of representatives, the question has been studiously shunned. The nature of the opinion, of the people themselves, no reflecting person can have a doubt about. Nevertheless, I am sorry, to have to say, that the executive persists in his course; and, therefore, no change is to be expected, until the representatives of the states and people shall be able to control this veto power. In this quarter of the Union, there is excitement. Mild as our people are, from inclination and habit, I should be apprehensive, if our territory were not so extensive, and our citizens necessarily so widely separated. Let us hope, that, as we discover weak parts in the frame of our institutions, we may have the virtue and the wisdom speedily and peaceably to change them; so that all the blessings, contemplated by the founders of the republic may be enjoyed for ages.

"Be pleased, sir, to make my respectful and grateful acknowledgments to those, of whom you are the organ, and to accept for yourself the assurance of my kindest wishes.

"With great consideration, your's, &c.,

"W. J. DUANE."

"*Jackson, Northampton county, N. C., March* 31, 1834.

"W. J. DUANE, Esq.

"SIR.—I have the honour to transmit to you, a copy of the proceedings, of a meeting, held at this place, on the 22d inst., to take into consideration the removal of the public deposites.

"In discharging the duty, assigned to me, in one of the resolutions, of tendering to you the thanks of the meeting, for the firmness and independence, with which you resisted presidential encroachment, upon the discretion, expressly confided to you by law; and of their entire approbation of your refusal, to remove the public money from the bank U. S.; permit me individually to assure you of my profound respect and admiration, for the manly and patriotic efforts, manifested on that occasion, to rescue the constitution and laws from executive usurpation. "I am, with great respect, &c.,

"SAMUEL CALVERT."

"*Philadelphia, April* 14, 1834.

"SAMUEL CALVERT, Esq.

"SIR.—Your kind and complimentary letter, of the 31st ult., I have just now had the gratification to receive; together with a copy of the proceedings, of a number of the citizens of Northampton county, N. C., who assembled to consider the subject of the removal of the public deposites.

"If we detach our feelings from the questions, now discussed throughout the country, we shall find the spectacle to be a very im-

posing one. A chief magistrate, re-elected almost by acclamation, assumes power, which had been confided to other hands. By this proceeding, he paralyzes the energies, and abridges the comforts, of hundreds of thousands of those, who but lately shouted in his applause. Respectable deputations wait upon him, and he anticipates, their request to be heard, by denouncing their motives. Others prepare to approach him, and he will not listen to them, except upon terms prescribed by himself. Turning to the representatives of the states, the people find their agency studiously evaded; and, then, looking upon their own immediate representatives, they find them shunning the question, whether the particular act of the executive, that is complained, is right or wrong. Unable to gain redress in any other way, the people assemble in their several districts; and, after peaceably asserting their rights and principles, provide, by the operation of elections, 'new guards for their future security.' There is excitement, but it is the exercise, which gives tone to the constitution, and without which we should sink into political death.

"Many of our fellow citizens have suffered, and are suffering; but still complaint alone is heard. The sea of liberty is tempestuous, but the safest vessel upon it, belongs to him, who raised the storm. There is no thunder but that of the press; no lightning, but that which flashes from the eyes of patriotism. After all, the contending parties are of one country, of one family; and, like their fathers, will be, in the end, of one mind.

"The spectacle, I say, is imposing. We see how prone man is, to abuse his 'little, brief, authority.' We find, how careful we should be, in selecting our public agents. We are delighted to perceive, how peacefully and efficiently we may correct abuses, by the simple operation of an election. In fine, discovering, from time to time, the weak parts of our political machinery, we are enabled so to add to its strength, as to transmit it improved to posterity.

"I am inclined, therefore, to think, that our social ills will be more than compensated, by the political advantages, which must result from agitation. The oak itself gains vigour, in successive blasts. So may it be, with our glorious republic.

"Returning to the particular purpose of this letter; I pray you to tender to your fellow citizens, my grateful acknowledgments, for the honour, which they have done me. If purity of purpose merited such commendation as is given, I dare to say, in the pride of truth, that I am not unworthy of it.

"On your own part, sir, accept my cordial thanks, for the very handsome manner, in which you executed the duty assigned to you.

"Kindly, and respectfully, your's,

"W. J. Duane."

"*Bellfonte, Pennsylvania, May* 3, 1834.

"WILLIAM J. DUANE, ESQ.

"SIR.—At a meeting of 'the citizens of Centre county, opposed to executive usurpation,' held in this place on the 24th ult., the undersigned were appointed a committee to communicate to you the following resolution, passed by an unanimous vote of that meeting, as expressive of their admiration of your firmness and magnanimity in refusing to be made the instrument for accomplishing the removal of the public deposites from the U. S. bank, contrary to your own sense of duty.

"Be assured, sir, the meeting could not have assigned us a task more congenial to our own sentiments, or more grateful to our hearts; and we cannot refrain from using the opportunity to express to you our entire approbation of your conduct on that trying occasion, and to declare our belief that history presents few brighter or nobler examples of pure and exalted patriotism, than was exhibited by you in yielding up the lucrative and honourable station which you occupied, and with it the favour of the President and of the then powerful party which sustained him, rather than consent to a measure which you believed to be unwise and unjust.

"The resolution which we have been instructed to convey to you, is in these words, viz.

"*Resolved*, That we cannot find words to express our high admiration of the honest, manly, and independent conduct of W. J. Duane, in preferring the approbation of good men and his own conscience, to political preferment and the favour of men in power.'

"With sentiments of unfeigned respect,

"We are your obedient servants,

"ROLAND CURTIN,
"JOHN HARRIS,
"JAMES BURNSIDE."

"*Philadelphia, May 7th*, 1834.

"FELLOW CITIZENS:—I have received your letter of the 3d inst., and am truly gratified at such a mark of the confidence and kind feeling of so many of the freemen of Centre county. Among those who attended your meeting, I recognise some of my old political and personal friends, who in trying times were faithful to our democratic doctrines; and I rejoice to see them still attached to principles more than to men.

"The course which I pursued in a high station has been applauded by many patriotic citizens in several of the states, as well as in our own; and as the love of reputation is deeply implanted in the human breast, I need not conceal the circumstance, that I am proud of such approbation. Through life I have borne in mind the proverb, that 'he who cares little how men look upon him, cares less how he

acts;' and I think virtue itself must be despised by those who do not covet human rewards for its exercise.

"You commend me so highly as to lead me to suppose, that you believe but few would have acted as I did. Whether others might not have thought it right to do what I refused to execute, is not what you consider. You appear to think, that, whether right or wrong, but few would have preferred duty to office. If your conjecture is a correct one, the matter is worthy of serious attention. My own impression is, that there are few citizens, in private life, who would not have acted as I did; but among those, who are mere politicians, few would have any scruples whatever. This is a consideration that cannot be too soon or too closely attended to. We have no inconsiderable number of persons who make politics a trade, and who think all means justifiable so that they accomplish their purpose.

"The theory of our institutions is admirable. It is supposed that the door to political stations is open to all citizens equally, and that the people themselves directly or indirectly select for those stations individuals most distinguished for probity and capacity. Were this beautiful process carried into execution, the glory of the republic, and the happiness of the people, would be complete. But what is the reality? Do the people themselves select their agents, or choose as agents those most distinguished for purity and fitness? Is not the ordinary operation of selections mere political play-acting? and if this is the case, how can it be expected that those, who are elected by slight-of-hand operation, will resist the practice?

"The consequence of all this is, that the trade in politics is in full operation; there is great competition, and, as is usual in such a state of things, work is done cheaply and badly. Temptation is almost universally followed by consent, and but few resist those who have the power to fill their purses or leave them empty. Thus we see a laxity of all political ties. Men 'assume as many shapes as Proteus, constantly wear the mark of dissimulation, and live a perpetual lie.' He who speaks on one side to-day, votes on the other to-morrow. He who on one day denounces or applauds one candidate, on the next denounces or applauds his opponent, according to the state of popular feeling. These politicians are like the dog of Amsterdam; when set to watch his master's shoulder of mutton, he resisted strange dogs, who tried to get it out of the basket, but as soon as they got it out, he joined them in devouring it.

"In private life any man would be hooted, who would pretend that we ought to be honest only when it would be profitable to be so; but it seems to be considered a different affair in public life. So general is the impression that public men, as they are called, have loose political morals, that the dread of being thought politically dishonest

scarcely exists. I have understood, indeed, that such politicians as I am alluding to, meeting at Washington, sometimes compare notes, to see in which state the people are most easily imposed upon, and that in one instance, at least, the honour was given to Pennsylvania. I am not, fellow citizens, censuring individuals, but calling attention to vicious practices, which probably prevail in all places and parties. I am trying to account for the circumstance, that few persons but mere politicians get into offices, and for the consequent circumstance, that so very few like to leave them. We prefer a republic, because men are prone to abuse power, and because abuses are prevented or corrected by frequent elections. But if the power to change is not exercised by the people themselves, the great advantage of a republic is lost, and selfish cabals become our masters. Men no longer serve their country from patriotic motives, or from the lofty and laudable desire to be now or hereafter esteemed, but simply to gratify those selfish passions which sap the foundation of public virtue.

"My best wishes for the health of your fellow citizens and yourselves, are respectfully offered by "Your's, truly,

"W. J. DUANE."

"To ROLAND CURTIN,
"JOHN HARRIS,
"JAMES BURNSIDE, } *Committee, &c.*"

"*Tuscaloosa, (Alabama,) May*, 16, 1834.

"W. J. DUANE, ESQ.,

"SIR.—In accordance with one of the resolutions, passed at a large and respectable meeting of your fellow citizens, held at the town of Tuscaloosa, on the 14th inst., I have the honour of transmitting, to you, a copy of the preamble and resolutions, adopted by the same, as a token of their respect, and of their approbation of the course, pursued by you, in your late relations with the people of the United States, as secretary of the treasury. The meeting was composed of men, of different political parties; who thought it their privilege and duty, as citizens, to express their approbation, or disapproval, of the official acts of public officers, and of public measures; and who are determined to resist all encroachments on our constitution, or assumptions of power, come they from whence they may.

"As our government is a government of opinion, the meeting considered it important, that an expression of opinion should be had, in the capital of Alabama; and also for the purpose of putting the proper issue before the people; convinced, that, when the question shall be properly understood, public sentiment will speak in a voice that cannot be misunderstood; and that 'principles, not men,' will once more be the motto of the American people.

"I have the honour to subscribe myself, sir, your's, &c.,

"BENJAMIN C. OPPELT."

"*Resolved*, That the late secretary of the treasury, W. J. Duane, deserves the highest commendation of freemen, for his patriotic efforts, to prevent the executive from seizing the public purse; thereby following the worthy example of the patriots of '76, who could neither be coaxed nor coerced to do that, which their consciences did not approve; nor to abandon their post voluntarily in time of danger: and, that we present his conduct as a model for all our public officers to imitate."

"*Philadelphia, June* 24, 1834.

"B. C. Oppelt, Esq.

"I have the honour and gratification to acknowledge your letter of the 16th ult.; and would have performed this duty, at an earlier moment, if I had not been absent from this city, on a journey, in the eastern states, from which I have just returned.

"It will ever be a source of delight to me, that so many of my fellow citizens have commended the course, which I considered it my duty to pursue as a public agent. So far as our countrymen themselves have expressed their sentiments, the public voice is unquestionably against the proceedings of the federal executive. The representatives of the states have condemned them in the most emphatic manner; and the representatives of the people, in congress, have, in effect, censured them, by studiously avoiding any expression of opinion on the subject. Those demonstrations will be unavailing with the present chief magistrate; but they must have a salutary effect hereafter. His successors will hesitate, ere they substitute their own will, for the constitution and laws; and 'subordinates' will be encouraged to be 'refractory,' should they be required to act in opposition to their convictions, principles, and duty.

"Be pleased to assure your fellow citizens, that I am proud of their approbation, and thankful for the support of their good opinion. May their prosperity, generally and individually, be as great as their patriotism is obviously pure and generous.

"Accept, sir, on your own part, my thanks for the gratifying terms of your letter, and my kind wishes now and hereafter.

"Very respectfully, your's,

"W. J. Duane."

CHAPTER XVII.

"In September, 1792, in one of the prisons of Paris, Journeac Saint-Meard was called forth and questioned. He avowed, that up to the 10th of August, he was an open royalist. At this there arose a murmur, which was appeased by one of the self-made judges saying, 'We are not here to judge of opinions, but of the results of them.' He was released!"

Carlyle's French Revolution, vol. iii., p. 51.

In the preceding pages, I have presented all that I originally proposed to embrace in the present volume. Subsequent occurrences and reflections, however, induce me to close it with an explanatory chapter. It will have been observed, that, in my official letter of the 10th July, 1833, (*see chapter* iii, *page* 38,) I not only expressed my sentiments respecting banks as such, but suggested a relinquishment of them as fiscal agents. Within the intervening five years, there has been much discussion on the question of a separation of the government from banks; and as was to have been expected, several of my friends asked for an exposition of my sentiments. Without presuming to say that my opinion is of any consequence, I do not hesitate to avow that it is unaltered. I think now, as I did while in office, that federal fiscal duties, like all other federal services, should be performed by federal officers; and that if we have not, or cannot obtain, agents worthy of such trusts, the fabric of liberty itself must be in a state of decay. It is not my purpose, however, now to sustain my opinion by argument. I barely desire, in the shape of a letter from one friend to another, to show the nature of my views while I was in office.

Philadelphia, November 3, 1837.

My dear Sir.—I have received, from another friend, as well as from yourself, the Madisonian, of Friday last. It asks, whether I did not, while in office, in 1833, propose to separate state from banks—whether I did not submit a sub-treasury plan to the President—and whether he did not indignantly reject it? This, in another shape, is the substance of the paragraph, to which you call my attention, and which you appear to think I ought at once to notice publicly. I might answer these questions, with two monosyllables, *yes* to the first, and *no* to the two last; but that would not be perfect in itself, or respectful to you. Although I do not consider myself now called upon, to notice these matters; I agree with another of my friends, who tells me,

that "all facts should be known," and that "entire silence on my part may not be excusable." I propose, therefore, to give you such an explanation, as I may hereafter, if desirable, make public. My silence, hitherto, has not been the effect of indifference. I contemplate the past, the present, and the future, as anxiously as any one can do. My share, in the common cargo of our public ship, is as precious to me as the share of any one else can be to him. But I hesitate, unasked, to say how the ship should be steered; especially as, for expressing an humble opinion, one may be flung over-board.

That I ought to have such an apprehension, is evident even from your own letter. Forgetting the past, you are evidently surprised at the suggestion, that I favoured a separation of state from banks. *Why* should you be surprised? I did not differ from the late President, on points now agitated. My opinions of his conduct, in 1833, and of its consequences, remain unchanged; but my sentiments, in relation to currency and banks, are also unaltered. When you commended me, in 1833, what was it that you praised? Surely not an abandonment, but my maintenance, of the right of opinion. Praise could not, any more than proscription, induce me to adopt any particular doctrine, unless I considered it sound in itself. To guard against any expectation of that kind, I publicly announced, on my retirement from office, that occurrences at Washington had made no change in my principles; and, I am sure, you will not find any thing to the contrary in my succeeding publications.

What, then, were my opinions, while I was in office? You will find them avowed in my letter, of the 10th of July, 1833, to the President. I do not dogmatically assert, that they are sound; but I do assert, that they have been long and dispassionately entertained. My principal object, in writing the letter, just referred to, was to procure delay until the meeting of congress, with a view to an inquiry into the whole subject of the currency. It seemed to me, that, until after such an investigation, no sound decision could be made as to a fiscal agency. Nevertheless, I suggested a total separation of state from banks; and, if that was an offence, I still plead guilty. Probably you think it an offence; and, therefore, I feel myself somewhat in the position of a malefactor, when asked, if he has any thing to say, why sentence should not be passed upon him? The difficulty, that I have, on the occasion, is, as to the manner, in which I may most clearly and briefly explain myself.

If a part only, of what we every day hear, is true, our country has been, for a long time, in a state of suffering, and is now absolutely paralyzed. We, for whom Providence and the founders of the republic did so much; we, who have a new country, no national debt, no nobility, no hierarchy, no standing army; we, who have all these mighty advantages, nevertheless, present such a spectacle of embarrassment and discord, as no other country exhibits! We have neither a public treasury, nor a public currency! Is this a humiliating state of things? If it is, *what* was the original cause of it? Is our system of government, a failure? If our institutions are admirable in themselves; must they not have been neglected or abused by those, who should have honoured and sustained them?

What, I repeat, was the original cause of the evil, which, we all admit, exists? Were you here, as I am asking this question, you would, probably, answer, "it is all owing to the refusal to renew the charter of the U. S. bank." This is the same explanation, that is given by very many of our respectable and intelligent fellow citizens; and far am I from treating it disrespectfully.* All I ask is, the right to examine it strictly. What, then, had the refusal to re-charter the U. S. bank to do with existing evils? You answer, that the bank was a regulator, a balance-wheel, a safety-valve. *What* did it regulate—what explosion did it prevent? There can be but one answer; namely, that it regulated, or prevented the explosion of, a paper currency. Consequently, according to the representation of the friends of the U. S. bank themselves, the true source of existing evils was—*an unrestrained issue of paper as money.*

I need not, for my general purpose, stop here to consider, whether the U. S. bank really was a regulator of this paper currency; and yet, I will briefly consider that point. To show, that it never did restrain the issue of paper as money, all that is needful is, to state undisputed facts; that, in 1791, there were but three banks; that there are now upwards of six hundred; and that, during forty of the intervening forty-six years, the U. S. bank was in operation. The proposition, that the U. S. bank

* In a private letter, dated October 17, 1833, (a part of which my correspondent unjustifiably made public,) I designated the conduct of the President, in removing the deposites, as "unnecessary, unwise, vindictive, arbitrary, and unjust;" and I still entertain the same opinion. The evils, anticipated, followed his course; but the removal of the deposites was not the original or sole cause of them. The combustibles existed; but, instead of separating and reducing them, the Executive added to the heap and set it on fire.

was an efficient regulator, is, therefore, erroneous. It may have kept out of circulation, as much paper of other banks, as its own amounted to; but that portion was insignificant, when compared with the mass. Besides, the U. S. bank had no such patriotic design as has been attributed to it. If it excluded local bank paper, it was not because that paper injuriously affected the public, but because its circulation interfered with its own profits. Instead of interrupting the mischievous issue of local bank paper as money, it added to the volume of the current, which ultimately swept us on the breakers, where we now are.

My design, however, is not to discuss this point. I desire to keep your attentiom fixed upon a more important one, namely—that, according to the statement of the friends of the U. S. bank themselves, the original and true source of existing evils, was *the unrestrained issue of paper as money.* And now, let me ask, who are accountable for this state of things? Are the framers of our constitution accountable? We all profess to revere them and their labours! Loud are our boasts of attachment to the constitution! Let us see, whether we really know what the labours of the framers of the constitution were, and whether we have not most shamefully neglected both precept and example.

The framers of the constitution declared their object to be, "to promote the general welfare." Were they wise and skilful, as well as virtuous? Or, were they incompetent to execute what they undertook to perform? After labouring at our public edifice, did they leave it unfinished? Did they suppose, that it would tumble down, unless supported by the props of chartered banks? Did they consider a bank-wheel necessary, to keep in motion the machinery which they had made; and, that without it, the machinery would stand still? Did they suppose, that congress would be compelled, to sell a part of the sovereign power over the currency, to private and irresponsible persons, and to give them the public money to trade upon, in order to keep that money safely?

If such is the true character of our political edifice, and if our public agents are such knaves, that the public money cannot be safely left, for a short time, in their hands, the world has been sadly imposed upon; and, ours cannot be a "model republic." But those, who built that edifice, were skilful as well as honest workmen; and, let none of the consequent shame rest upon them, if their successors, in the public service, are not as honest as themselves. The framers of our constitution, I repeat,

were wise. They well knew, how human happiness could be promoted, and they did all, that it was possible for them to do, to insure its duration. They were aware, that the soil, labour and money are the elements of riches, or of those things which contribute to human welfare—that those things are increased, in proportion to the facilities of exchanges—and that exchanges are multiplied, according to the confidence, that, for productions, money may be had on demand. They were acquainted with the mighty resources of their country, and with the importance of the use of the precious metals, for their development. They knew that all wise states, by the regulation of commerce and by treaties, sought to keep in circulation an abundance of coin; and they had every reason to suppose, that the metals in circulation throughout the world would be adequate to all legitimate wants. They knew, that a system of commercial credit prevailed in Europe, which, without the aid of paper of banks of circulation, answered all the purposes of trade. They knew, that bank paper, issued as loans, is a fictitious capital; that it swells the circulating medium beyond the true wants of trade—enhances the price of commodities—and drives coin out of circulation. In short, they had had a sad experience of the mischiefs of a paper currency; and did all that they could do, to secure to posterity something more than a mere promise of an equivalent.

With this view, and possessed of this knowledge, the framers of our constitution conferred upon congress the power to regulate commerce, and prohibited any tax upon exports. To insure the presence and purity of coin, they forbade the several states to issue bills of credit, coin money, or make any thing but gold and silver a legal tender. To maintain a metallic currency, and to protect the users of it, congress alone was authorized to coin money, regulate its value, and punish counterfeiting. They also provided, that all duties, imposts and excises should be uniform throughout the Union. In short, the framers of our constitution considered the guardianship of the standard of value, the universally received equivalent, the measure of all commodities, among the attributes of the sovereignty of all the states united; and they did all that they could do, to prevent usurpation, or interference with it, on the part of any of the several states. So intent were they upon making the currency of the rest of the world, the currency of their own country; so little inclination had they, to imitate the parent country, in its establishment of the bank of England, that they refused to grant to congress the power to create a corporation.

Such, my good sir, was the anxiety, the wisdom, and the foresight of the framers of our constitution. They never entertained, nor has any sane person ever entertained, the notion, that productions were to be bartered, or that coin was to be carted from place to place, for the purposes either of society or of government. They never supposed, that true credit consisted of, or depended upon, paper issued as money. They well knew, that banking, in its true signification, was not a modern invention, but that it had existed in the earliest ages, of which we have information; that exchanges had been at all times effected, through bankers of deposite; that notes of banks of circulation are not the instruments, for effecting exchanges between the people of one country and those of any other; and, therefore, they well supposed, that all our exchanges might be effected by means of productions, bills of exchange and coin.

And, yet, in utter contempt of all that had been thus done and forbidden, by the framers of our constitution, the very evils and abuses, which they deprecated and guarded against, have been almost ever since in rank existence and growth! Our country has presented the unexampled, and truly monstrous existence of two sovereignties, each selling to chartered companies, powers, which the general sovereignty alone can rightfully exercise itself! That is, congress, to whom the federal convention absolutely refused to grant a power to create a corporation, nevertheless creates one, and sells to it, what it has no right to sell—a power to issue paper as money. The several states, too, although positively forbidden to issue bills of credit, or to coin money—that is, to meddle with the currency—sell to chartered companies a power to do, what they cannot lawfully do themselves, that is, issue paper as money! Is it wonderful, then, that we have had expansions, revulsions, suspensions, and consequent distresses? Can we look forward to an exemption from them, while the existing anomalous state of things shall exist?

I am aware of all that you would say to me, were you present. You would probably smile at what you may consider my simplicity, to say the least. But, I pray you to bear in mind, that I only humbly represent what the framers of our constitution actually thought and did. If they knew not what they were about, I have an apology, if I also am in error. All that I ask is, that the wise men of our day, if they are strong, may also be merciful.

If there had been no banks of circulation, would the bounties of nature and the energies of man have remained dormant? To suppose so, is to contemn experience and to degrade ourselves. Is it the presence of bank paper, that produces prosperity? Money is not to be had but for an equivalent. Nor are productions to be had but for money, or the assurance that it may be had. It is to the abundance of things in demand; it is to industry, stimulated by that demand, and producing objects for consumption or exchange; it is to our growth, as an untaxed people; that we must mainly attribute our advancement. Bankers, indeed, represent themselves as the horse, that drags the public cart along; but, it may be doubted, whether banks have not been such a burden, as no other country or people but our own could have sustained. Would it not be preposterous to say, that our grain, iron, timber, cotton, wool, tobacco, coal, the fish on our eastern coasts, or the whales of the Pacific, would remain unproduced, undeveloped, unsought, unused and unexchanged, without the aid of bank paper? The existence, the abundance and the demand of those things stimulate men to obtain them; and, when obtained, they bring in other things, by exchanges, or coin, as the framers of our constitution intended.

If the will of those wise men had been obeyed, inequality in condition, luxury and vice would not have made such rapid advances, as they have done; there might not have been so many towns, or such crowds as there are in them; but there would have been more men at the plough; and there would have been more integrity, frugality and content. There would not have been fluctuations, revulsions and panics, ruinous in their consequences. There would not have arisen the mighty power of upwards of six hundred banks, holding the borrowers of four hundred and fifty millions in a state of dependence.

These suggestions are not the work of fancy; much less, have I any desire to abridge the legal existence or powers of any bank whatever. The existing institutions did not give being to themselves. If it was an error, to bring them into operation, the people themselves were the offenders, or their agents; and, among those agents, none was more efficient than the late President himself. No, I am speaking of what is called our banking system; I am explaining what were my opinions while I was in office, and what was the true nature of my suggestions at that time.

The three propositions, which I have advanced, are these; that the power, to create a corporation, was withheld from congress—that the power to emit paper as money, was withheld from the several states—and that the framers of our constitution contemplated but one currency, that of coin. The constitution itself and our fiscal history prove the truth of these propositions. Is further evidence needful? You have sometimes mentioned the names of *Mr. Madison*, *Mr. Hamilton* and *Mr. Gallatin*. Each of those gentlemen sustains some one of the above propositions. I have at this moment before me the statement of *Mr. Madison*, in his own hand-writing, that the federal convention refused to confer on congress a power to create a corporation. In his argument, in relation to a bank of the U. S., *Mr. Hamilton* declared that the power, to emit paper as money, had been wisely withheld from the several states; and that any reliance upon such an expedient would be fallacious. In the essay on currency and banking, which was written by *Mr Gallatin*, and widely circulated at the expense of the bank U. S., that gentleman declares, that, if practicable, we ought to return to a metallic currency. It is true, he seems to think the difficulty of a return insuperable; but he gives the most substantial reasons, why we should return if we can. He declares that the system of credit, prevailing in Europe, is not attended with such consequences as follow our system; that revulsions there do not affect the currency, the standard of value or contracts in general. Now, we know, that our revulsions affect them all; and, therefore, it is not surprising, that *Mr. Gallatin* would return to a metallic currency, if practicable. As to the practicability of such a return, that is a point upon which much may be said; but I do not propose now to consider it. What I aim at is, to place the authority of *Mr. Madison*, *Mr. Hamilton* and *Mr. Gallatin*, in a point of view in which you may not have considered it.

I observe the remark, ready to start from your lips, that Mr. Madison when President signed a bank charter; and I am also aware, that those are scoffed at, who presume to dissent from Judge Marshall. But sarcasm is not argument. Mr. Madison must have been right in 1791, or wrong in 1816; or the reverse. He could not have been right on both occasions, for on each he took opposite sides. On which occasion he was right, and on which wrong, every one may decide for himself. For my own part, I believe he was right in 1791;

for he was then in the vigour of life, was imbued with the spirit of the federal convention, and free from all constraint; whereas, in 1816, his vigour had diminished, he was overwhelmed with political difficulties, and, in choosing between two evils, he adopted the one, which he deemed the least or the least enduring.

As to the opinions of eminent judges, they are but opinions, after all; and what are judicial opinions? Are they infallible, or, like the Median laws, unchangeable? Turn, I pray you, to the volumes of opinions of judges in England and of our own law luminaries. How many of them agree, or will stand the test of future examination? How many of the lights, that once dazzled beholders, continue to burn? Wax preceded oil, but oil was preferred, and then came gas to obscure them both! Why, then, may not one humbly dissent from the doctrine laid down in the case of M'Culloch? Suppose that case could be argued before the present judges of the Supreme Court, what would their judgment be? Would it sustain the doctrine of their predecessors? I think not. And what would be then said? surely, that the present judges were political partisans, as had been said of their predecessors.

There ought, or there ought not, to be paper as well as coin. Let that matter be settled. If there *ought* to be paper, *what sort* of paper should it be? Ought there to be an auxiliary under the public seal; or should there be a chartered bank, with branches; or are we to have, what is called *a system*, which produces revulsions affecting the currency, the standard of value, and contracts generally? How can a choice be made in the midst of *universal intolerance?*

It is alleged, that a bank with branches may be so organized, that abuses may be prevented. But it is added that those, who have scruples about the right of congress to create such an institution, *must* abandon them. *Can* they do so any more than a Lutheran can change his creed, because Bossuet and Fenelon, pious divines, entertained a different one? Is it wise, charitable, or modest to say to men, who have through life disinterestedly opposed a national bank, that they have been fools for doing so? Who are thus called fools? Not only majorities of the people, but majorities of our federal and state legislators? Have all the opponents of such an institution, for the last forty-six years, been in darkness? Have its friends alone had the welfare of their country at heart? Are they alone patriotic, pure

and wise? If its friends consider a national bank desirable, why are not obstacles removed in a constitutional way? The alien act was not rendered constitutional by the signature of a president, or the sanction of a judge; nor can such a signature or such a sanction make a corporation constitutional. Where there are doubts, widely and seriously entertained, a decent respect should be paid to them. The constitution has been more than once amended; and the process is so simple, that the refusal to resort to it seems to admit that the recourse would be fruitless. Certain it is, that the struggles for majorities in congress, on this subject, have increased the fierceness of resistance. No one can doubt that, *if* there ought to be a bank auxiliary, for social or fiscal uses, *a bank for the whole country is infinitely preferable to a multitude of irresponsible institutions. If* there ought to be a general bank, there will be one, should the states or people, by an amendment of the constitution, so decide. But if the states or people shall not, by an amendment of the constitution, sanction one, it should not be otherwise introduced. If otherwise introduced, it never will command the public confidence; and, on the contrary, will be the source of continual discord.

This, my dear sir, is a tedious introduction to the explanation promised at the commencement of this letter. Let us return to the point from which we set out. The Madisonian places me among the proposers of what is called the sub-treasury, and I proceed to state the facts, so far as I am concerned.

When I entered office, in 1833, I had not the inclination or the power to leave behind me my opinions about currency and banks. Although they had been long entertained, they were not held dogmatically. On the contrary, I was at all times anxious for explanation and correction if in error. I had not looked forward to the performance of any particular duty in office; yet, scarcely had I entered it, when a scene altogether new and unexpected was presented. I was asked to abandon the existing fiscal machinery, which as such was safe and efficient; and to introduce other machinery, in the safety and efficiency of which I had no confidence. If I had any resentment or prejudices to gratify, or if I had any favourite plan to propose, an opportunity was now presented for indulging the one or introducing the other. But I had no resentment, prejudice or plan. The responsibility, which had been devolved on me, demanded caution, inquiry and thoughtfulness. I considered

the removal of the existing fiscal agent, prior to 1836, certain and inevitable. The executive called on me to introduce state banks in its stead. I did not think it patriotic or wise to adopt such a substitute; nor did I approve of the design of the President, to forestal the action of congress upon the subject, and to grasp legislative as well as executive powers in the same hands. My most anxious efforts, therefore, were directed to one object —*to gain time*, not only for averting evils but for making inquiry; so that I might advisedly, as well as diffidently, submit my views to the consideration of congress. What those views, after reflection, would have been, it is of course impossible now distinctly to say. It is certain, however, that I would have respectfully suggested such an investigation of the whole subject of our currency, as legislators in England and France wisely make on all momentous subjects. In my letter of the 10th July, 1833, I intimated to the President, that such an appeal ought to be made, and that all connexion with banks should be discontinued. He asked, what substitute for them, or plan of fiscal agency, I proposed; and I answered, that nearly three years must elapse, ere the existing agent would retire; that congress alone could rightfully act upon the subject of a substitute; that it would be my duty to inquire, and to report the results to congress; and that they would have the wisdom, as well as the power, to determine what the true interests of the country demanded. The President, however, deprecated any delay; and objected to any inquiry, except whether state banks would act as fiscal agents. He said, he had himself suggested such an organization of the treasury department, as would render the use of banks needless; but that he had not been favourably attended to, either by congress or the people, and that state banks were now the only resource.

Although thus checked in what I considered the most discreet course, I did not abandon all hope of delay, or of an inquiry by congress; and, consequently, I did not cease to consider whether a fiscal agency, independent of banks, might not be created. During my reflections, my attention was naturally carried back to the time, when the whole machinery of our government was first put in motion; and the result of this retrospect necessarily was the conclusion, that the salutary action of the general machinery did not then depend upon the aid or presence of any bank-wheel. There seemed to be no novelty in dispensing with bank agency. All other governments collect

and disburse by the agency of their own officers. The obvious, and the actual course, at the formation of our own government, was to execute fiscal duties, like all other federal duties, by federal agents; and, to a certain extent, this had been ever since, inevitably, the practice. This was *the principle, the rule*—and the departures from it were, in reality, *the experiments*. Neither was there political heresy, any more than novelty, in dispensing with banks; the early republicans, in whose faith I had been instructed, had deprecated a connexion between state and banks, and experience had justified their resistance.

Nevertheless, as the rule had been departed from, and as the departure had been long acquiesced in, a return to first principles became a serious consideration. For my own part, I barely agitated the subject orally when on a visit to this city, in July, 1833, and by correspondence while at Washington. The laws contemplated, that the actual operations of receiving and paying should be performed by public officers. The treasury circular of the 1st of May, 1831, prescribed the *currency* in which dues might be collected, and the manner in which deposites should be made. The aid rendered by the banks of deposite was confined, 1. to safely keeping the public funds; 2. to transferring them as required; and 3. to the purpose of a check upon public officers. The inquiry which I agitated was, whether the treasury at Washington and branches from it might not take the places of the U. S. bank and branches, and accomplish the purposes of safely keeping, transferring and checking. As to the nature of the *currency*, coin or bank notes, I confess I contemplated merely an extension of the restriction of the existing treasury order. It prohibited the acceptance of any note under $5; and I was disposed gradually to extend the prohibition. Instead of limiting operations to the mere wants of the government, I was inclined to aid commercial transfers; and I could not conceive, why such a service might not be rendered and remunerated, as well as the transport of letters by a post-office department.

Although these and similar views presented themselves, I traced out no plan. Suggestions and inquiries only were made orally or in my correspondence. Answers to several of my letters are now before me, and I make the following quotations from two of them:

A letter, dated at Philadelphia, on the 19th of August, 1833, says—

"Having said so much on a subject [the unrestrained issue of paper as money] which I can never tire in execrating; I most heartily approve of your plan. The bank of deposite and exchange would be exempt from all the exceptions, to which banks of circulation are subject. It would fulfil the purposes of internal exchanges and commercial transfers. In looking forward to such a measure, it is necessary to anticipate what might be said in opposition. The appointment of deputy-treasurers would be opposed, *par example*, by the Richmond Enquirer, on the ground of inordinate patronage, and large salary officers. This is all, I can see likely to be brought forth, unless the usual quantity of incoherent declamation; such as the essays of Cato, in the U. S. Gazette, all of which I have had the patience to read, but of which the mind cannot call up a sentence worthy of regard."

Another letter, dated at Philadelphia, on the 3d of September, 1833, says—

"You forget, for I wrote to you twice, expressing the last time concisely my entire confidence and recommendation of your plan, either as local depositories, such as the loan offices of former times were, or as deputy-treasuries, both of which forms you suggested three or four times, and which I expressed my wishes to see realized. The only difficulties, I suggested, arose out of the idea, about placing the money power in the hands of the Executive—a fallacy in itself, since the mode of abuse of what is called the money power is, in fact, the very thing which your plan would correct, that is, the issuing of paper as money, which is not money but credit. The other difficulty was, the pretext, that would be set up, of the government turning broker, if a small per-centage was proposed to be charged on drafts.

"I think if you were to make a project of this description, in some methodical form, and submit it to the President, the effect would be good."

Although thus and much more zealously encouraged, I barely continued to agitate the subject. What my correspondent called plans, were suggestions only, intended to elicit remarks. My impression was, that the change, which I discussed, was calculated to promote political purity. As to the safety of the public funds in the hands of our own officers, I confess, I never supposed, that the bars, bolts, and chests of bankers could be stronger than oaths of office, love of country and the dread of infamy.

But, as I have repeatedly said, although these were my impressions, my main object was—an inquiry by congress. And consequently, if I understand the true meaning of the word "conservative," my views were wholly of that character. I was not, indeed, one of those conservatives, who pretend that government should have nothing to do with the currency: on the contrary, I considered the preservation of a sound currency one of the objects and obligations of government. The power to coin money was meant to be an active power; and one of the objects of the power to regulate commerce was to secure

an adequate supply of coin. On the other hand, I was not one of those conservatives, who are for doing nothing, because it may be difficult to do any thing: on the contrary, I saw in the increase of the abuses of an unrestrained issue of paper as money the strongest of all reasons for their reduction. Nevertheless, I was not for a secretary's project, any more than for an executive experiment: *I was for collecting facts and elucidations on monetary questions, and for such sound legislation as congress should build up on that foundation.*

If I may not say, positively, that the most salutary effects would have been produced, if this course had been adopted; at least I cannot err in asserting that a series of distresses and discords, such as has seldom been witnessed any where, would have been avoided. The incidents of the last few years have impaired our political reputation, as well as our morals—to say nothing of social and commercial embarrassments. In a moment of universal peace, and notwithstanding our vast resources, there is a general suspension of payment, except in paper, which no one can tell the value of. To meet this crisis, congress was called; and yet the Executive omitted to mention the true source of the evil, or its aggravation by his predecessor. Instead of suggesting means to secure a currency for the general purposes of society, he seemed to consider the fiscal currency as the only proper object of legislative solicitude. It is not surprising, therefore, that the late session was abortive. And in the meantime, (as if it was intended to tempt public officers to abuse their trusts, and thus to create an impression, that bankers are the only honest agents) the public money is left in the hands of the receivers generally, and they may run at large, like a steed without hopple or halter!

. . . . . But I must stop in my own career. Let me then say that, in 1833, I did suggest a separation of state from banks, and did inquire how that object might be accomplished. Whether my views were sound or not, I have no apprehension, that you will accuse me of desiring to establish a government bank, or to extend the bounds of executive power. Finally, "unless (as Sir William Temple says,) you mean to quarrel and not to argue with me, you will not call my opinions absurd, because they may not agree with your own."

Your's, &c., W. J. D.